Dixon®
The brand behind brands

Research Report

Engineering Excellence

Focused on the FUTURE

RATING	
MANAGEMENT	★★★★
BUSINESS	★★★★
FINANCIALS	★★★★
VALUATION	★★★

Ranking 1 to 5, denoting lowest and 5 highest

02-09-2025

FIN2RESEARCH Investment Advisor Pvt. Ltd.

DIXON TECHNOLOGIES (INDIA) LIMITED

Sector: Electronics Manufacturing Services (EMS)

Rating: BUY | **Range: 17520/17540** | **Target 1/2: 19283/21036** | **Expected Upside Potential: 20%**

Stock Info :	
Mkt Cap (₹ in Cr)	1,06,080.45
52-Weeks Low/High	12,202.20/19,148.90
Traded Volume (Lakhs)	2.34
No. of Equity Shares (Cr)	6.06
Face Value (Rs.)	2.00
NSE Code	DIXON
BSE Code	540699
Free Float Market Cap (Cr)	68,122.00

Source: NSE/BSE

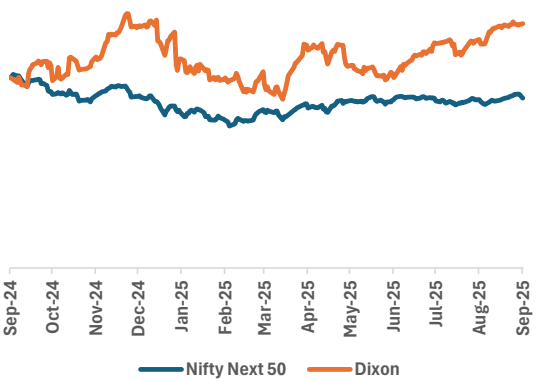
Particulars	FY24	FY25
P/E (x)	126.3	124.2
EPS	62.46	202.58
EV/ EBITDA	62.09	52.23
Operating Margin	3.03	3.16
P/B (x)	2.53	2.04
RoE	25.16	32.84
Net Profit Ratio	2.73	2.81

Source: Company

Particulars	% of Total Shares
Promoters	32.27
Mutual Funds/AIF	23.73
NRIs	7.05
FPIs/FIIs	21.81
Others	15.14
Total	100

Source: Company,NSE,BSE

Stock Performance



About Company:

Dixon Technologies Limited (Dixon),headquartered in Noida, Uttar Pradesh, is India's largest Electronics Manufacturing Services (EMS) company, widely regarded as the "Foxconn of India." Established in 1993, it has become a key enabler of the government's Make in India and PLI (Production-Linked Incentive) schemes, serving global and domestic brands across diverse product categories. Operating through a network of 19 state-of-the-art manufacturing facilities spread across India, Dixon provides end-to-end solutions including product design, global sourcing, manufacturing, testing, logistics, and after-sales support. Its product portfolio covers consumer electronics (LED TVs), home appliances (washing machines), lighting (LED bulbs, battens, downlighters), mobile phones, security surveillance systems, set-top boxes, and display modules.

Key Highlights:

❑In financial year 2024-25, Dixon Technologies delivered strong results with consolidated revenue of ₹38,860 crore, a 119.7% increase year-over-year, and a Profit After Tax of ₹1,233 crore, which was up 229% from the previous year. This growth was accompanied by an 89% rise in EBITDA to ₹484 crore and a 100% increase in Profit After Tax (PAT) to ₹280 crore. The company also maintained strong financial metrics, with a Return on Capital Employed (ROCE) of 49.1% and a Return on Equity (ROE) of 33.9% as of June 30, 2025.

❑ The mobile phone business remained the dominant growth engine, the company's Mobile Phones and EMS segment was the primary growth driver, contributing over 90% of the total revenue in Q1 FY26, with revenue from this segment alone reaching ₹11,663 crore a 125% year-on-year growth, and an operating profit of ₹395 crore, up 131%. The Telecom and Networking Products division also saw exceptional growth, with revenues of ₹1,410 crore, a more than 250% increase. The company's joint venture with Rexxam achieved its highest-ever quarterly revenue of ₹144 crore.

❑The company is actively pursuing backward integration and strategic alliances. It has signed a binding term sheet to acquire a 51% stake in Q Tech India for the manufacturing of camera and fingerprint modules. The company's management expects this business to reach a revenue of approximately ₹5,000 crore over the next four to five years. Several joint venture applications are also advancing, including a 74:26 partnership with Longcheer and a 51:49 partnership with Vivo. A 60:40 joint venture with Inventec for manufacturing notebook PCs, servers, and desktops is expected to be operational by Q1 of the next fiscal year. A new joint venture, Lightanium Technologies Private Limited, was also incorporated during the quarter. Dixon is expanding its market share in other segments, having captured 8% of the overall Indian refrigerator market within one year. It is also strengthening its ODM (Original Design Manufacturer) capabilities in consumer electronics by partnering with global brands like Amazon and LG.

❑Dixon is undertaking significant capacity expansion across multiple segments. The construction of a 0.8 million square feet mobile manufacturing campus in Noida is on track to be completed by March 2026. In the refrigerator business, the company has captured a 10% share of the direct cool market and is expanding capacity from 1.2 million to 2 million units. The company is also venturing into new product lines, including frost-free refrigerators, robotic vacuum cleaners, and front-load washing machines.

Key Risks:

❑ Heavy reliance on imported components, particularly from China and other Asian markets, exposes it to global supply chain disruptions, geopolitical tensions, and currency fluctuations. Rapid technological changes and intense competition in the EMS industry pose constant pressure to innovate and maintain margins. Additionally, policy and regulatory changes, especially regarding GST, PLI schemes, and environmental compliance, can influence profitability.

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Rating: BUY | **Range: 17520/17540** | **Target 1/2: 19283/21036** | **Expected Upside Potential: 20%**

SWOT ANALYSIS

S — STRENGTHS

- **Market Leadership:** "Fastest growing EMS Company by Revenue and Market Capitalization" in India. Recognized as the largest ODM/EMS player in several segments, including Lighting Solutions and Washing Machines. Market Capitalization surged from ₹23,280 Million (as of March 2018) to ₹7,93,890 Million (as of March 2025).
- **Robust Client Relationships:** Trusted partner to global and Indian brands (Samsung, Panasonic, Xiaomi, Motorola, Philips, Havells, boAt, etc.). Long-term contracts ensure recurring demand.
- **Strong Financial & Operational Performance:** Revenue CAGR >30% in the last five years, supported by capacity expansion and PLI participation. Multi-location presence across India reduces geographic concentration risk.
- **PLI & Government Incentives:** Multi-sector PLI participation (mobiles, IT hardware, telecom products) provides a strong revenue boost and margin support. Expanding into new segments like semiconductors, EV electronics, and laptops/tablets.

W — WEAKNESSES

- **Thin Margins:** EMS industry is inherently low-margin (EBITDA ~3–4%), making profitability highly sensitive to input cost volatility.
- **Import Dependence:** Heavy reliance on imports for semiconductors, displays, and critical components. Limits cost flexibility and creates forex exposure.
- **High Client & Segment Concentration:** Mobile phones and LED lighting together contribute a large share of revenue. Over-dependence on a few large clients exposes Dixon to renewal and pricing risks.
- **Working Capital Intensity:** Large capex and high receivables cycle pressure free cash flow. Growth depends on debt and external funding. Slower-than-planned client ramps can pressure returns.

O — OPPORTUNITIES

- **Component Localization & Backward Integration:** Ongoing investments in PCB assembly, camera modules, and battery packs increase value capture per unit. Reduces reliance on imports over the long term.
- **Expanding Export Potential:** Emerging as a global hub for mobile phone and consumer electronics exports. Partnerships with global brands enhance export readiness.
- **High-Growth End Markets:** Rising demand for smartphones, smart TVs, IoT devices, and home appliances in India's growing middle-class population.
- **Telecom & Networking:** The 5G rollout in India provides a massive opportunity for 5G FWA devices and networking equipment.
- **IT Hardware:** The JV with Inventec for manufacturing Notebooks, Servers, and Desktops taps into a large, growing market supported by PLI 2.0.

T — THREATS

- **Intense Competition:** Competes with both global EMS giants (Foxconn, Pegatron, Wistron, Jabil) and rising Indian EMS players (Amber, Kaynes, Syrma SGS, Elin, Avalon).
- **Supply Chain Disruptions:** Semiconductor shortages, geopolitical tensions, or commodity price spikes can disrupt operations.
- **Technological Obsolescence:** Rapid product cycles in electronics (mobiles, TVs, IT hardware) require continuous upgrades. Risk of underutilization of new capacity if client demand shifts.
- **Policy & Regulatory Risks:** Dependence on PLI schemes; any withdrawal or modification could hit profitability.

Management Overview

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Management Analysis

Board of Directors

Mr. Sunil Vachani
Executive Chairman

Mr Sunil Vachani is currently the Executive Chairman of the Company. He holds a degree of Associate of Applied Arts in business administration from the American College in London. He has over 30 years of experience in the EMS industry. He has been awarded the 'Man of Electronics Award' by CEAMA in 2015, the 'Outstanding Citizen Award 2012' by the Sindhi Chamber of Commerce and one of the 'Top 100 people influencing EMS' in 2012. He has held multiple positions, some of which are Chairman of the Electronics and Computer Software Export Promotion Council of India and Co Chair of the CII ICTE Committee. He has also been elected as President (South) of Consumer Electronics and Appliances Manufacturers Association ('CEAMA'), for the term 2021-23.

Mr Atul B Lall is the Managing Director and Vice Chairman of Dixon Technologies (India) Limited. He holds a Master's Degree in Management Studies from the Birla Institute of Technology and Science, Pilani. He has been leading Dixon Technologies since foundation and built it to its current leadership position in the EMS Industry. He is responsible for Dixon's overall strategy and business operations. Apart from serving as board members on other group companies of Dixon Technologies, he is also serving as an Independent Director on the Board of Happy Forgings Limited and Max Estates Limited. With over 30 years of experience in the EMS industry, his forte is in introduction of new segment lines and rolling out expansion strategies.

Mr Atul B Lall
Vice Chairman & Managing Director

Ms. Geeta Mathur
Independent Director

Ms. Geeta Mathur is the Non-Executive and Independent Director of the Company. Ms. Geeta Mathur is a member of the Institute of Chartered Accountants of India and a B. Com (hons) graduate from Shri Ram College of Commerce, Delhi University. Since 2014, Ms. Geeta has served as a Director on boards of many renowned companies such as Motherson Sumi Wiring India Limited, Infoedge Limited, NIIT Limited, Hero Housing Finance Limited, Canara HSBC OBC Life Insurance Company etc. She has a vast experience in the domain of understanding of strategies for growth with risk management, investor perspective, customer management and market leadership, organization structures and dynamics, compliances and reporting. She has also been awarded the Women Independent Director of the year award by Mentor by Board.

Mr Keng Tsung Kuo is a Non-Executive and Independent Director of the Company. He has over 30 years of rich and extensive experience in Business & Selling Strategy, Human Resource & Globalisation Strategy, Change Management and Leadership & Management. Mr Kuo holds Master of Electrical Engineering from National Taiwan University and has also done his Executive MBA from National Taiwan University. Earlier he had been associated with Global conglomerates such as Hewlett Packard Taiwan LTD and has also served in key positions in elite corporations such as United Microelectronics Corp, Lam Research Co., Ltd. and MediaTek Inc. He has also served as an Adjunct Professor in National Taiwan University.

Mr Keng Tsung Kuo
Independent Director

Mr Arun Seth
Independent Director

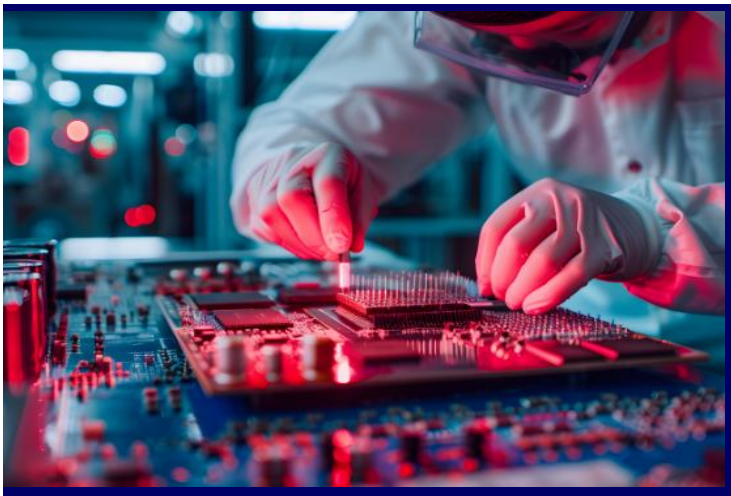
Mr Arun Seth is a Non-Executive and Independent Director of Dixon Technologies (India) Limited. He is an alumnus of IIT Kanpur and IIM Calcutta. He has more than 45 years of experience in senior commercial positions in BT, Alcatel, HCL. Mr Seth started as the founding MD of British Telecom in India in 1995. He is currently serving as an independent director on the board of companies like, Jubilant Pharmova Ltd, Jubilant Ingrevia Ltd. Also, he is in the Board of Kent RO Ltd., Usha Breco Ltd., Sify Technologies Ltd., Tonetag and Ixigo and has served Narayana Health board for 8 years. As an active investor and advisor, Mr. Seth supports disruptive tech companies to help them scale up in the Indian market, many of whom, like Nutanix etc, have become multibillion dollar global companies.

Dr Rakesh Mohan is a Non-Executive and Independent Director of Dixon Technologies (India) Limited. He is President and Distinguished Fellow of the Centre for Social and Economic Progress (CSEP), New Delhi, India, formerly Brookings India. He was most recently Senior Fellow in the Jackson Institute for Global Affairs, Yale University and was earlier Professor in the Practice of International Economics and Finance at the School of Management at Yale University, 2010-12. He was closely associated with the Indian economic reforms process from the late 1980s onwards. He was Executive Director on the Board of the International Monetary Fund, Deputy Governor of the Reserve Bank of India, Secretary, Economic Affairs, Chief Economic Adviser of the Indian Ministry of Finance, and Economic Adviser in the Ministry of Industry.

Dr. Rakesh Mohan
Independent Director

Mr Manoj Maheshwari
Non-Executive and Independent Director (

Mr Manoj Maheshwari is a Non Executive and Non-Independent Director of the Company. He is a fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Company Secretaries of India. He also holds a Post Graduate Diploma in Business Administration from Symbiosis Centre for Distance Learning. He has close to more than three decades of experience in finance functions encompassing various aspects of finance and corporate functions including M&A, capital expenditure and fund raising as debt and equity.



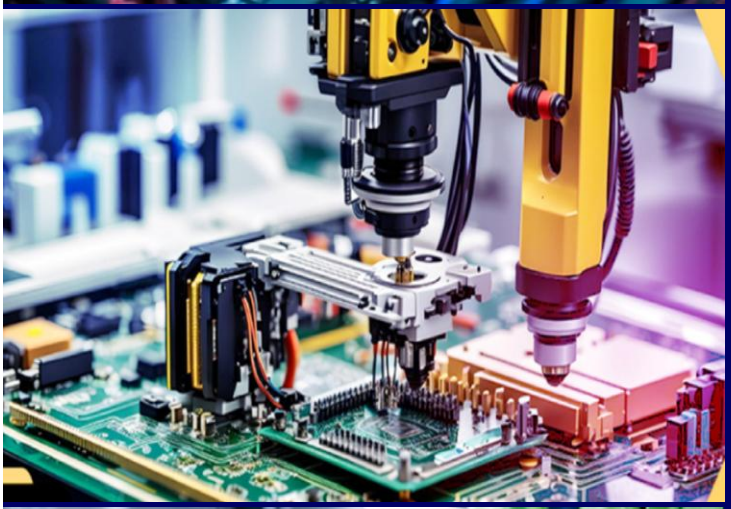
Industry Overview

Global Electronics Industry

Indian Electronics Industry

Global EMS Industry

Indian EMS Industry



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Research Report

Global Electronics Industry

The global electronics industry is experiencing a rapid growth, fuelled by technological advancements and an ever-growing demand across various industries. Key drivers include the surge in automation within manufacturing processes, increasing reliance on cutting-edge healthcare technologies and the integration of electronics into everyday consumer products and modern vehicles. The sector's growth is also propelled by innovations in artificial intelligence, the Internet of Things (IoT) and the push for sustainable solutions in energy and transportation

In 2024, the global electronics market is valued at US$4 trillion, with projections indicating robust growth at a Compound Annual Growth Rate (CAGR) of 6.5% over the next four years. As technology continues to evolve and newer innovations become more pervasive across industries, they are expected to create more opportunities and position electronics as one of the critical contributors to the global economy.

As technology advances, the size of the components and the circuits usually become smaller. Electronics manufacturing is observing substantial traction in the adoption of advanced robots, due to their capability to perform tasks at enhanced precision levels. Artificial intelligence is another transformative technology in the EMS segment, primarily changing the way the machines' function and interconnect. Partnerships, mergers, JV Agreements, and other types of strategic initiatives are becoming more and more prevalent among the Brands, EMS providers, OEMs, ODMs, and stakeholders as they work to familiarize themselves with the speedy transitions in the manufacturing space.

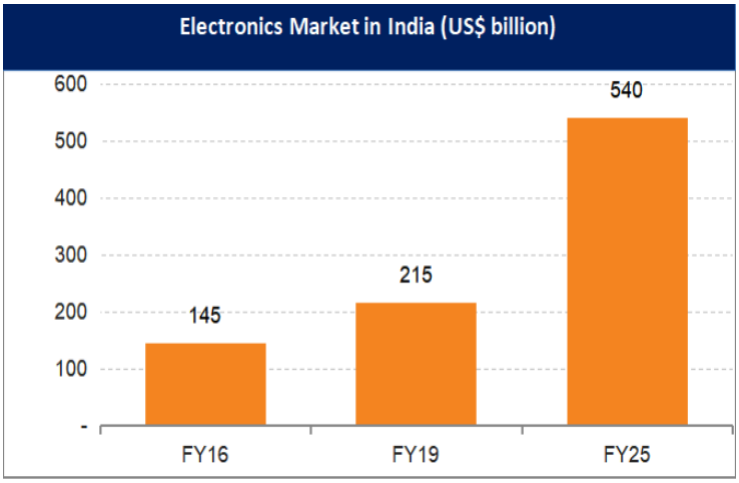
Indian Electronics Industry

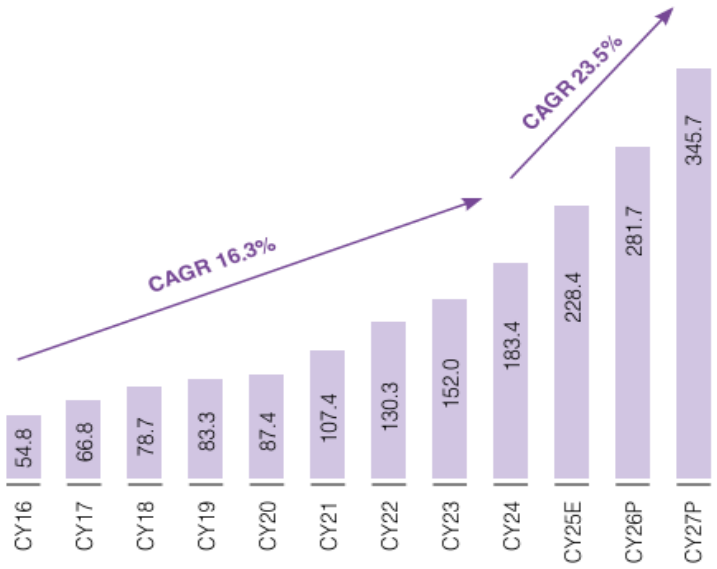
India's electronics industry is targeting a manufacturing output of Rs. 43,10,000 (US$ 500 billion) by 2030, which requires a fivefold increase in production. This growth is also expected to create 12 million jobs by 2027.

India's export of electronic goods rose tremendously to reach US$ 38.56 billion in FY25 with a growth of 20.4% YoY. Mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics and auto electronics are key exports in this sector.

India is one of the largest consumer electronics markets in the Asia Pacific Region and is home to considerable talent for electronic chip design and embedded software. India has committed to reach US$ 300 billion worth of electronics manufacturing and exports of US$ 120 billion by 2025-26.

India is the second fastest digitizing economy amongst the 17 leading economies of the world. The Government of India aims to make Electronics Goods amongst India's 2-3 top-ranking exports by 2026.





Currently, India is undergoing a digital revolution leading to a surge in the consumption of electronic devices in India. This growth is mainly attributed to the increasing middle-class population, rising disposable incomes and declining electronics prices in the country.

With this spike in demand for electronic products, the electronics system design & manufacturing (ESDM) sector in India is expected to reach US$ 220 billion by FY25, expanding at a 16.1% CAGR between 2019 and 2025. According to the IESA (India Electronics & Semiconductor Association), more than 90% of semiconductor companies globally have their R&D centres in India. The semiconductor R&D generates about US$ 2.5 billion in revenue and 6 lakh jobs in India.

India is one of the largest consumer electronics markets in the Asia Pacific Region and is home to considerable talent for electronic chip design and embedded software. India has committed to reach US$ 300 billion worth of electronics manufacturing and exports of US$ 120 billion by FY26.

India's electronics industry is targeting a manufacturing output of Rs. 4,310,000 (US$ 500 billion) by FY30, which requires a fivefold increase in production. This growth is also expected to create 12 million jobs by FY27.

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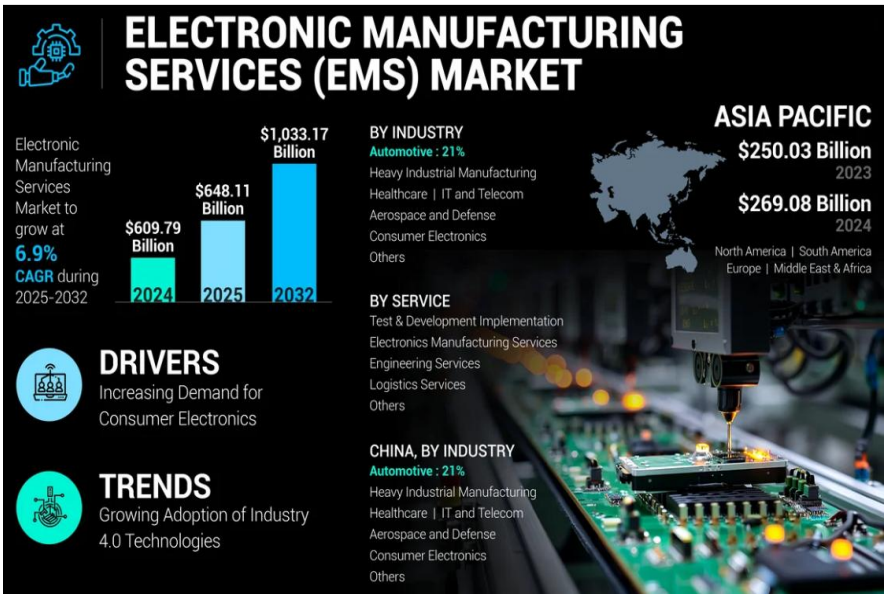
Global EMS Industry



The Global EMS market is traditionally comprised of companies that manufacture electronic products, predominantly assembling components on Printed Circuit Boards (PCBs) and box builds for major brands.

Today brands are seeing more value from EMS companies, leading to involvement beyond just manufacturing services to product design and developments, testing, after-sales services, such as repair, remanufacturing, marketing, and product lifecycle management.

The global electronic manufacturing services (EMS) market size was valued at USD 609.79 billion in 2024. The market is projected to grow from USD 648.11 billion in 2025 to USD 1,033.17 billion by 2032, exhibiting a CAGR of 6.89% during the forecast period. Asia Pacific dominated the market with a share of 44.13% in 2024.

Critical factors driving this growth are increasing disposable income, emerging and multiple disruptive technologies, improved acceptability of audio and video broadcasting, higher internet penetration, inclination of the youth towards next gen technologies, emergence of e-commerce etc.

Automotive — Rapid growth and rising electronic content in vehicles (ADAS, EV electronics, infotainment, sensors) make automotive a major growth vertical; the automotive vertical to account for nearly 17% of the EMS market by 2030. This is one of the faster-growing verticals in the stack.

Aerospace & Defense — This vertical had a substantial revenue share in 2022, driven by higher defense spending / military electronics demand (communications, EW, surveillance) and therefore remains an important, high-value segment.

Consumer Electronics — Consumer electronics as a top industry in the segmentation; along with IT/Telecom it forms one of the largest base markets for EMS because of continual product refresh cycles, IoT/connected devices and mass volumes (this is also consistent with other market trackers that cite consumer electronics/IoT as a primary EMS demand driver).

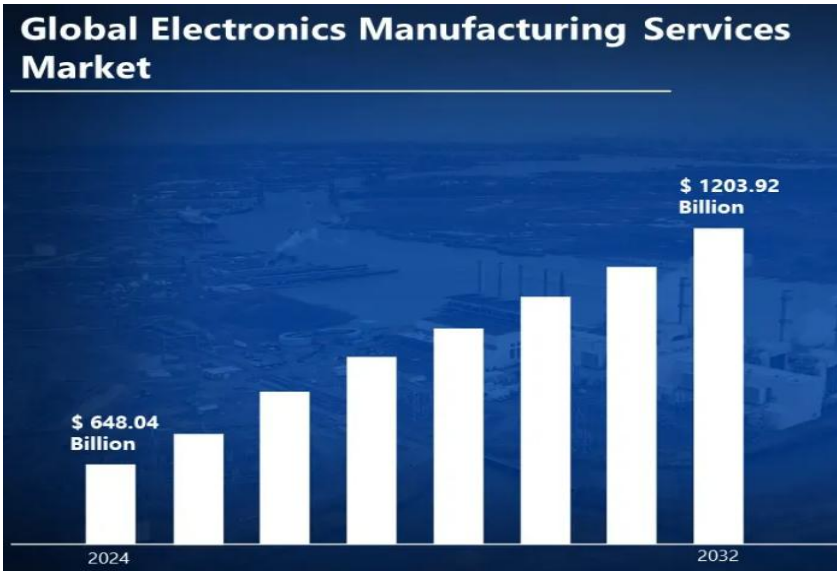
IT & Telecom — Telecom / IT equipment (including 5G infrastructure, network hardware) represents a major stacked portion in chart and has separate telecom EMS coverage; telecom/IT is a material contributor to total EMS revenues.

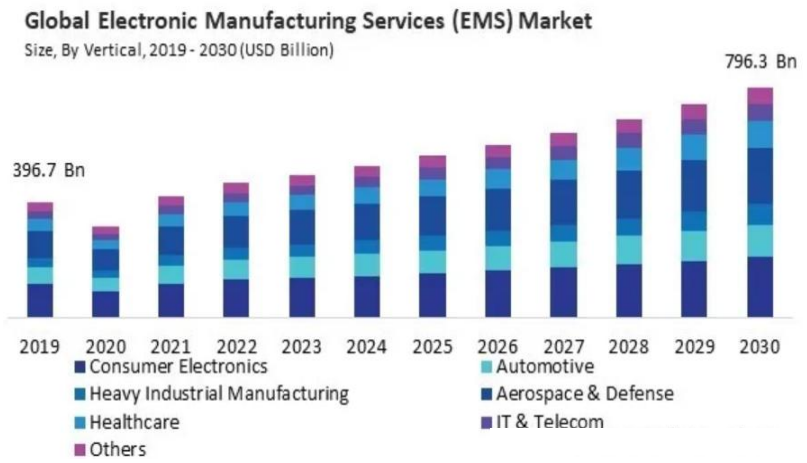
Healthcare (Medical devices) — Healthcare as a distinct vertical; demand is steady and higher-margin (medical electronics, diagnostics, monitoring devices), so it contributes meaningfully though typically smaller than consumer/automotive in absolute dollar volume.

Heavy Industrial & Others — These verticals supply niche and industrial electronics demand (controls, automation, power electronics). They make up smaller slices of the stacked bars but add to the market's diversification.

By service: The Electronics Manufacturing service segment (the pure manufacturing/assembly activities) led the market in 2022 and is a very large slice of total EMS revenue — projects electronics manufacturing service to reach about USD 350.8 billion by 2030.

By region: Asia-Pacific was the largest regional contributor in 2022 (the manufacturing base) and is projected to remain dominant — this projects APAC to reach roughly USD 306.9 billion by 2030. That regional concentration explains why consumer electronics, telecom manufacturing and contract assembly volumes are large in the stacked bars.





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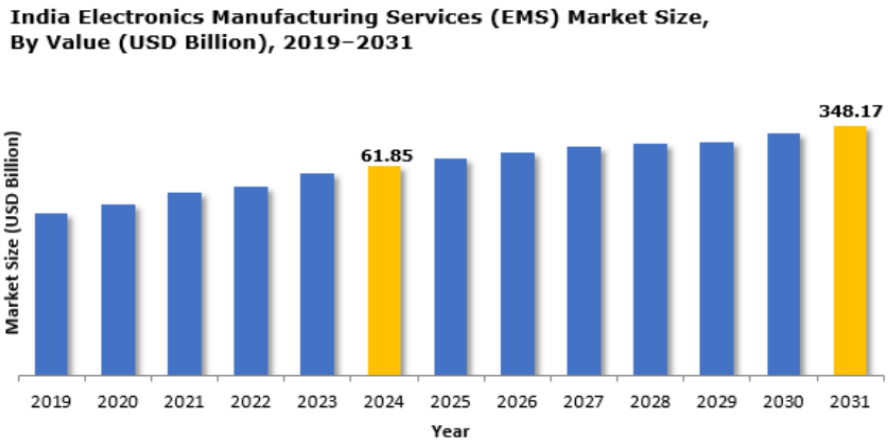
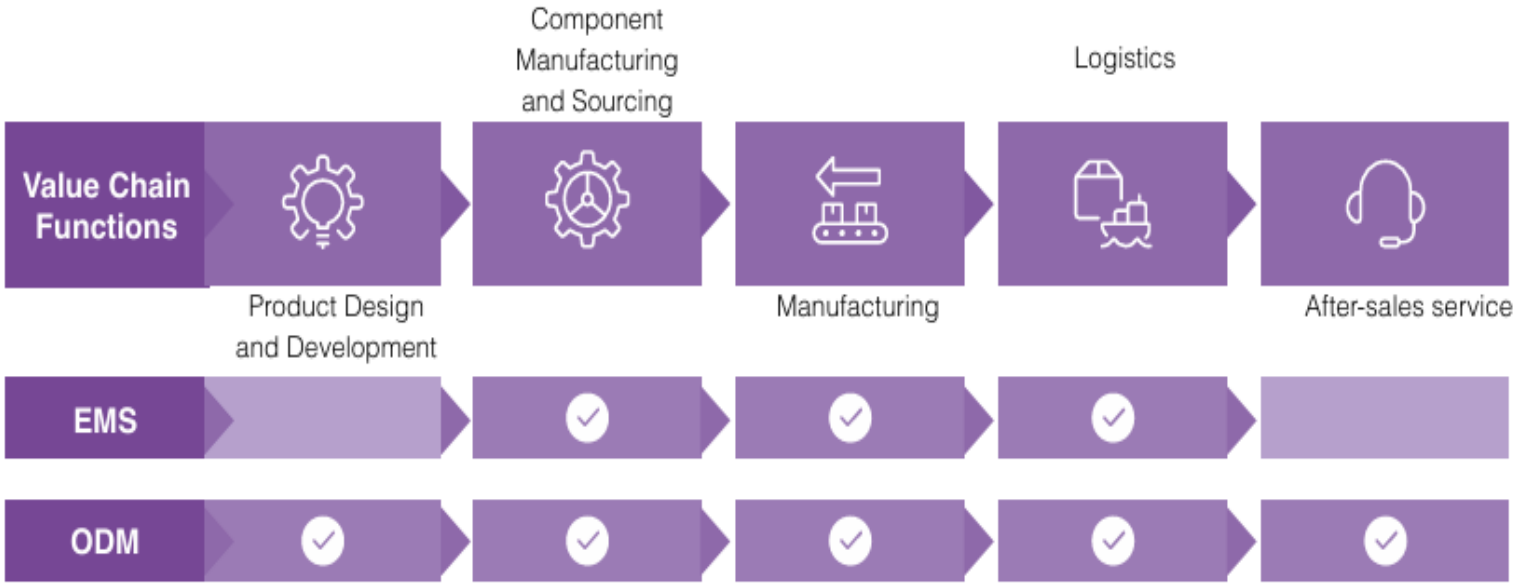
Indian EMS Industry



The global landscape of electronic design and manufacturing is changing significantly, and revised cost structures have shifted the attention of multinational companies to India. At present, the Indian government is attempting to enhance manufacturing capabilities across multiple electronics sectors and to establish the missing links to make the Indian electronics sector globally competitive. India is positioned not only as a low-cost alternative, but also as a destination for high-quality design work. Many multinational corporations have established or expanded captive centers in India. Indian EMS industry has since then embarked on an upward journey. With most of the global mobile phone manufacturers and their supply chain partners investing in manufacturing, the Indian EMS industry is well poised to unlock its true potential in the coming years.

The total addressable ESDM market in India was valued at INR 2.65 trn (US$ 36 bn) in FY21 and is expected to grow to INR 9.97 trn (US$ 135 bn) in FY26 with a CAGR of 30.3%. Contribution of Indian EMS companies is around 40% with a value of INR 1.07 trn (US$ 14 bn) in FY21. This is expected to grow at 41.1% CAGR to reach INR 5.98 trn (US$ 81 bn) by FY26. India is positioned as a destination for high-quality design work, not only as a low-cost alternative. Many multinational companies have established and expanded captive centres in the country. Most brands prefer engaging EMS partners for contract manufacturing, but the ODM model is slowly gaining traction in India, where brands collaborate with ODMs on product development. Many EMS players are gradually expanding to provide complete design services in addition to contract manufacturing/ original equipment manufacturing.

Business Model of Indian EMS Companies



The Electronics System Design & Manufacturing (ESDM) industry includes electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano electronics and medical electronics. The industry also includes design-related activities such as product designing, chip designing, Very Large-Scale Integration (VLSI), board designing and embedded systems.
India witnessed a substantial spike in demand for electronic products in the last few years; this is mainly attributed to India's position as second-largest mobile phone manufacturer worldwide and surge in internet penetration rate. The Government of India attributes high priority to electronics hardware manufacturing, as it is one of the crucial pillars of Make in India, Digital India, and Start-up India programs.
The Electronics System Design & Manufacturing (ESDM) sector plays a vital role in the government's goal of generating US$ 1 trillion of economic value from the digital economy by 2025. With various government initiatives aiming to boost domestic manufacturing, India has already started witnessing initial movement with increased production and assembly activities across products such as mobile phones and other consumer electronics.

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Business Overview & Segment Overview

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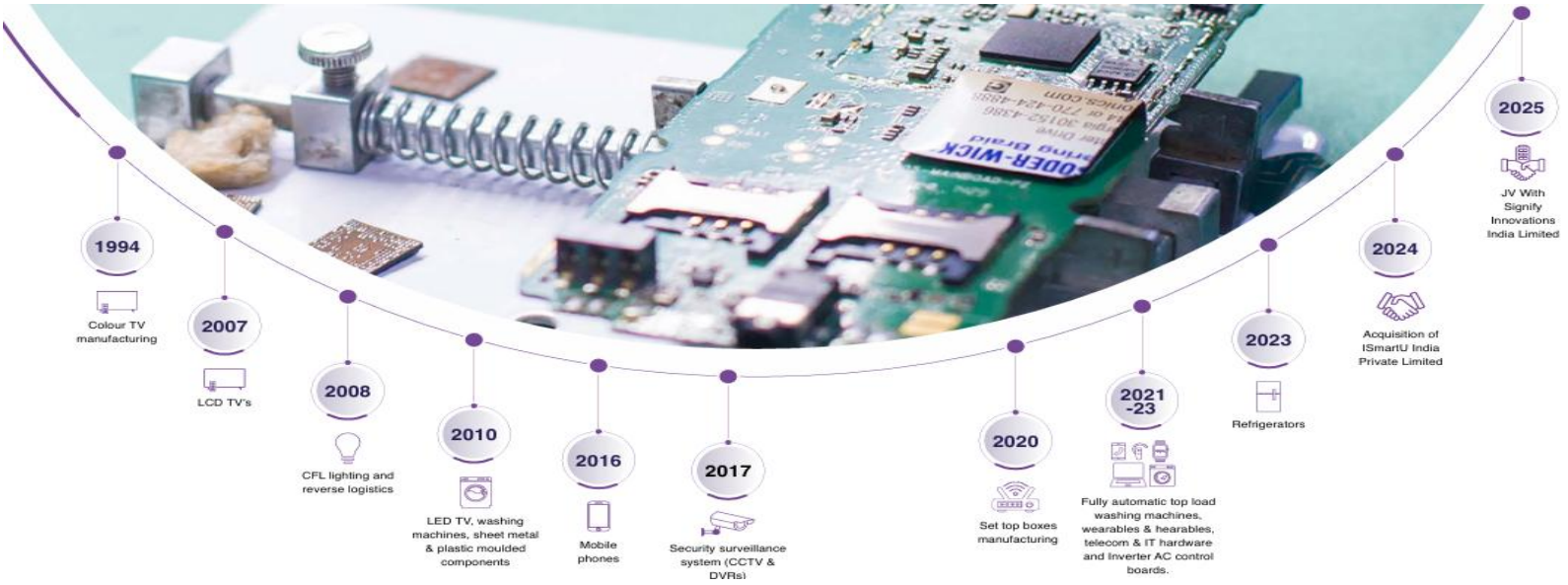
Business Overview



Dixon Technologies (India) Limited incorporated as a public limited company on 2 May 2017. The company is primarily engaged in manufacturing electronic products across several categories, including consumer durables, home appliances, lighting products, mobile phones, telecom products and security devices. Its product range comprises:Consumer electronics (notably LED TVs),Home appliances (for example, washing machines), Lighting products (LED bulbs, tube lights, downlighters and CFLs), Mobile phones, and Security products such as CCTV cameras and Digital Video Recorders (DVRs). In addition, Dixon offers reverse logistics solutions — repair and refurbishment services for set-top boxes, mobile phones and LED TV panels.

Dixon Group, with a revenue of INR 3,88,803 Million (on a consolidated basis), is one of the leading provider of Electronic Manufacturing Services in India. With over 31,000+ employees, the group operates 24 manufacturing facilities across India, with a presence in diverse business verticals such as: (i) Consumer electronics like LED TVs; (ii) Home appliances like washing machines; (iii) Lighting products like LED bulbs and tubelights, downlighters; (iv) Mobile phones; (v) Wearables and Hearables (vi) Refrigerators and (vii) Telecom and IT hardware products. Dixon operates across multiple segments covering a wide range of electronic products and appliances. The company offerings cover a wide range of goods ranging from home needs to networking products and adds value to brands. Backed by 24 state-of-the-art manufacturing facilities, 6 dedicated R&D centres and a dynamic workforce of over 35,000 employees.

Dixon operates a large multi-plant footprint across India — multiple plants in Noida/Greater Noida, Dehradun, Tirupati/Kopparthi (Andhra Pradesh) and other locations, totaling ~17+ manufacturing units (different sources and company investor pages list 11–17+ depending on how subsidiaries/JV plants are counted). The company has also secured land in the YEIDA electronics manufacturing cluster (Noida) to expand capacity. Dixon is a contract manufacturer for major global and domestic OEM/brands — examples named in filings and investor materials include Samsung, Xiaomi, Motorola, Nokia (HMD), boAt, Panasonic, Philips, OnePlus, TCL, Havells, Godrej and others. That client list demonstrates both consumer electronics and telecom OEM relationships

30+ years
Industry experience

24
Manufacturing plants in India

6
R&D centres

1#
Indian EMS Ranking

13#
Global EMS Ranking

35+
Global recognised quality certifications

1994: Entered the market with the manufacturing of colour televisions, marking the company's foray into the consumer electronics sector.

2007: Expanded its product portfolio by commencing LCD TV production, strengthening its presence in the display technology segment.

2008: Diversified into CFL lighting solutions and reverse logistics services, including repair and refurbishment.

2010: Further broadened its offerings with LED TVs, washing machines, sheet metal, and plastic moulded components.

2016: Entered the rapidly growing mobile phone manufacturing market.

2017: Strengthened its product base with security surveillance systems including CCTV cameras and DVRs.

2020: Added set-top box manufacturing to its operations, expanding its presence in the telecom and digital entertainment segment.

2021–2023: Enhanced its product portfolio with fully automatic top-load washing machines, wearables, hearables, telecom and IT hardware, and inverter AC control boards.

2023: Entered the refrigerator manufacturing segment, catering to both domestic and international markets.

2024: Acquired ISmartU India Private Limited, strengthening its technology and manufacturing capabilities.

2025: Formed a joint venture with Signify Innovations India Limited, marking a significant strategic step into new product categories and market opportunities.

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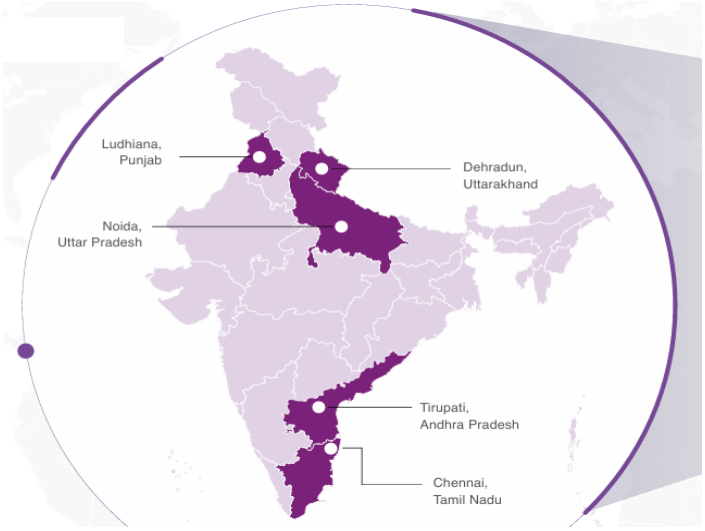
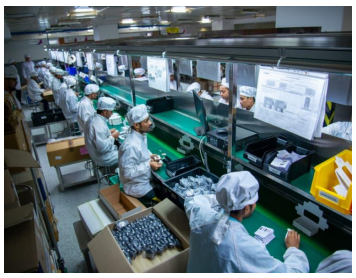
Business Overview





Manufacturing Units across states:

Uttar Pradesh (Noida / Greater Noida) — 12 units (largest cluster: multiple Noida units + Greater Noida Ecotech 8). Key functions: mobile handset assembly (Padget subsidiary lines), earphone/headset/consumer electronics, refrigerators (Greater Noida Ecotech plant), PCB/box-build lines. Noida is Dixon's primary handset/consumer cluster and is receiving further expansion (YEIDA EMC allotment). Noida is Dixon's largest operations cluster and the core of its handset & mobile accessory ramp (Padget / handset lines are concentrated here). Management repeatedly cites Noida as the high-speed SMT / handset cluster supporting key OEM customers.

Uttarakhand (Dehradun) — multiple units (7 units). Key functions: washing machine/white goods assembly, lighting, and other household appliance lines. Dehradun hosts one of the company's larger white-goods facilities. Washing machines, other white goods (assembly lines), lighting fixtures, and associated sub-assemblies; Dehradun hosts substantial white-goods and appliance manufacturing capacity. The annual report and investor materials list Selaqui/Dehradun plants as key appliance sites.

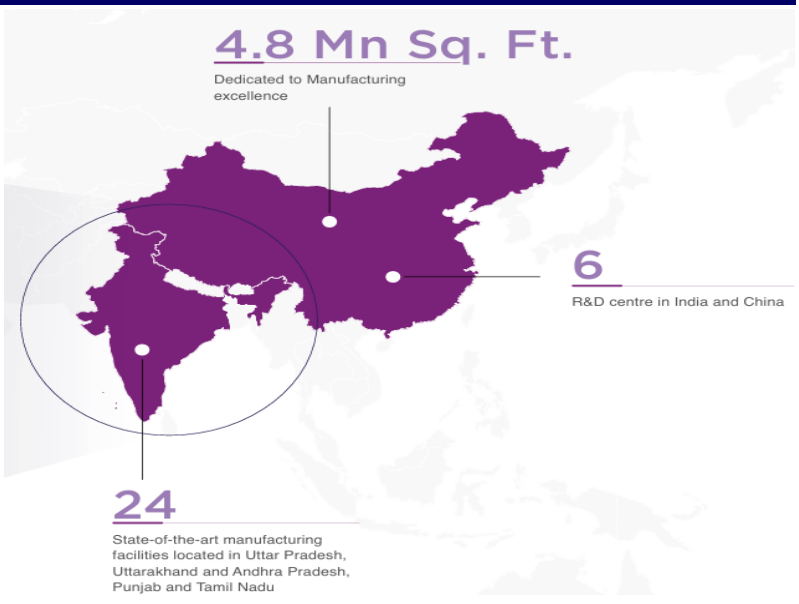
Andhra Pradesh (Tirupati / Kopparthi) — Tirupati plant(s): LED-TV panel integration and TV assembly — cited as India's large TV manufacturing plant for Dixon. Full TV assembly lines (panel integration, final assembly), STB manufacturing and testing lines — large Tirupati TV plant cited as key TV facility. Large LED-TV panel integration and final assembly (Dixon references Tirupati as one of its principal TV plants), select consumer electronics, and (historically) some medical equipment manufacturing modules. Tirupati is described as a high-volume TV assembly hub.

Tamil Nadu (Sriperumbudur) — New facility (announced / launched recently) focusing on laptops/SSDs/servers and other ICT components (reported as the 24th facility). Announced as a newer facility added to grow capacity (reports cite Sriperumbudur as part of the recent plant additions; publicly referenced product focus includes ICT / laptop/ICT components and other high-value assemblies depending on OEM contracts). This is referenced as one of the latest additions (bringing the facility count toward 24).

Punjab (Ludhiana) — manufacturing unit presence (sheet metal/mechanical/other assemblies). Mechanical sub-assemblies / sheet-metal parts / assembly lines that support white goods and other appliance builds. Dixon lists Punjab presence for mechanical/metal works supporting larger assembly lines.

Chennai and other pockets — small/medium plants for specific product families (lighting, sub-assembly, etc.). pecific assemblies (lighting, sub-assemblies, niche box-build for local OEMs). Company materials list Chennai among states with operational plants focused on particular product families.

Dixon has a large in-house R&D capability (six dedicated R&D centres across India & China) and a pan-India manufacturing network of 24 state-of-the-art facilities with an aggregate manufacturing footprint the company describes as ~4.8 million sq.ft. dedicated to manufacturing excellence — providing end-to-end design, product development, volume assembly and after-sales/refurbishment for global and domestic OEMs. Having R&D centres both in India and China helps Dixon combine local product engineering (for Make-in-India & PLI programs) with access to component/ODM know-how and development ecosystems in China — a strategic advantage for product development speed and localising components. Recent JV/JV approvals with Chinese partners (display module JV / Longcheer JV) reinforce the importance of cross-border R&D collaboration. Dixon operates across multiple segments covering a wide range of electronic products and appliances. Our offerings cover a wide range of goods ranging from home needs to networking products and adds value to brands. Through strategic joint ventures, capacity expansion, and continuous diversification of its product portfolio, Dixon Technologies has evolved into a key player in India's EMS landscape, contributing significantly to the "Make in India" initiative and serving leading global and domestic brands across multiple verticals.



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Segment Overview

Mobile & Other EMS Division

India has emerged as the second-largest smartphone market in the world.6 India Smartphone Market was valued at USD 54.7 Billion in 2024 and is expected to reach USD 78.9 Billion by 2030 with a CAGR of 8.2%. This dynamic industry remains a key contributor to the EMS industry, accounting for 62% of the market.

The mobile phone business delivered exceptional performance in FY 2024–25, with revenues reaching ₹INR 28,116 crs, reflecting a robust 208% year-on-year growth.

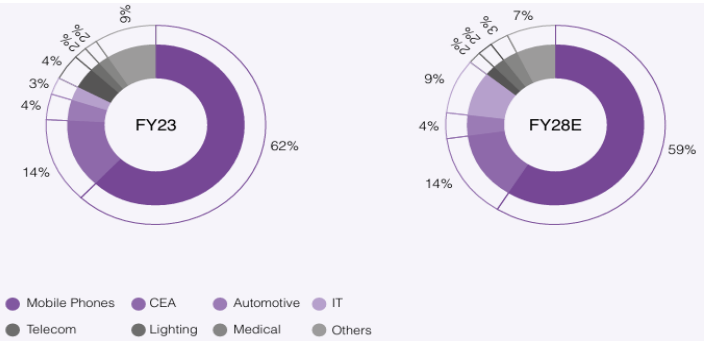
To further scale operations and enhance technology depth, Dixon have entered into a joint venture with Vivo, where Dixon will hold a 51% stake.

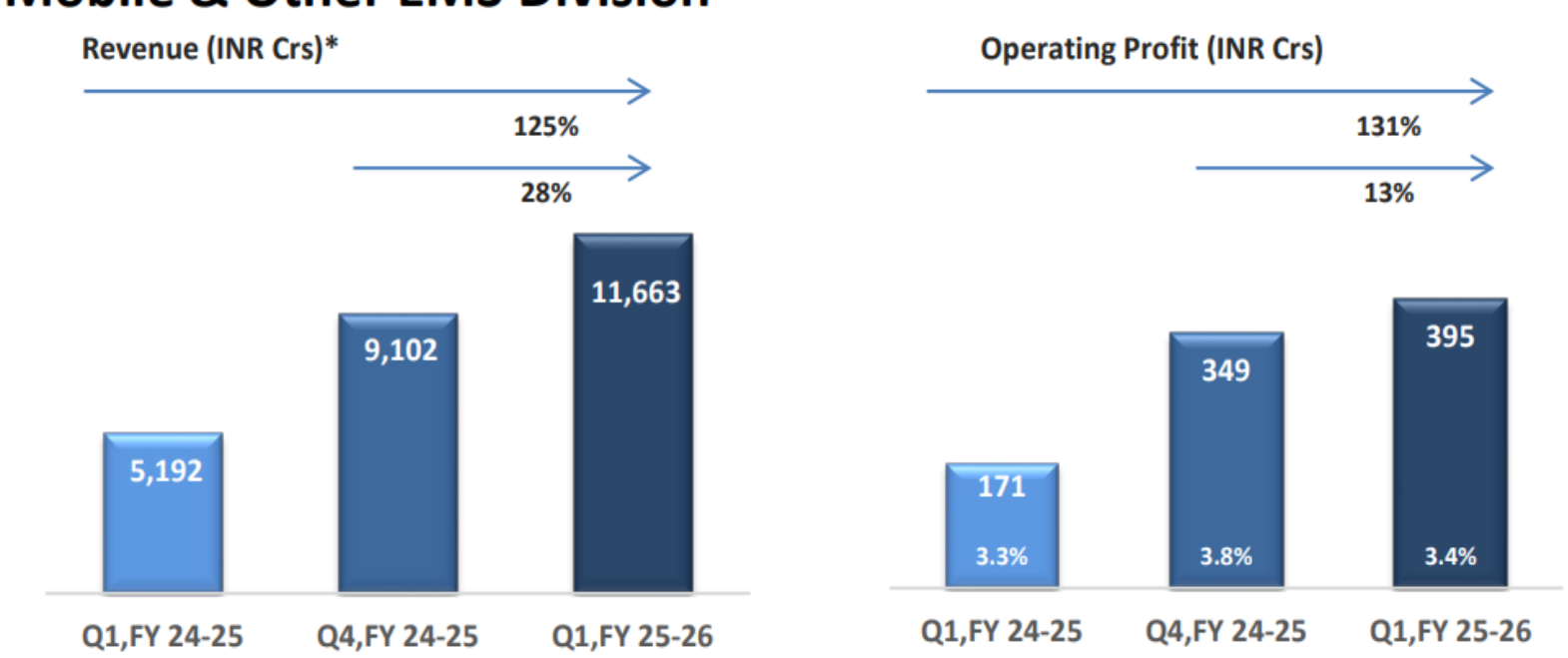
The mobile phone business reported revenues of ₹INR 28,116 crs in FY 2024–25, a 208% year-on-year increase.

Dixon has strengthened relationships with major global smartphone brands and now runs seven mobile manufacturing facilities with combined annual capacity exceeding 60 million smartphones.

During the year Dixon acquired Ismartu India Pvt. Ltd., now a Dixon subsidiary; Ismartu manufactures smartphones for brands including Nothing and Transsion (Infinix, Tecno, itel) and supplies exports to Africa.

To expand capabilities, Dixon has agreed a joint venture with Vivo in which Dixon will hold a 51% stake; a PN3 application for FDI approval has been filed, and definitive agreements are in advanced stages.





Quarterly mobile-business revenue was INR11,663 crores (growth 125% year-on-year) with operating profit of INR395 crores (growth 131%).

Revenue splits within the quarter: telecom IT hardware INR1,410 crores, hearables INR247 crores, and wearables INR175 crores.

The company reported robust volume growth across multiple smartphone brands and states that order books for Q2 Financial Year '25, '26 look stronger. Ahead of the festive season, Dixon expects volume growth of at least 15% quarter-on-quarter.

Dixon positions itself as the largest domestic mobile-phone manufacturer by volume and infrastructure. Construction of a 0.8 million square feet mobile manufacturing campus in Noida is progressing; completion is expected by March '26.

Approvals are anticipated soon for the 74:26 joint venture with Longcheer, and the PN3 approval process for the 51.49 joint venture with Vivo is progressing; the application for the joint venture with HKC is also advancing.

For display modules, a 74:26 JV with HKC is in first-phase construction (for smartphones and notebooks); trials are planned from Q4 this fiscal, with mass-production targeted by Q1 of next fiscal. The company will file the application for this under the ECMS scheme "in the next seven to 10 days."

Dixon

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Research Report

Segment Overview

Consumer Electronics & Appliances (LED TV & Refrigerator)

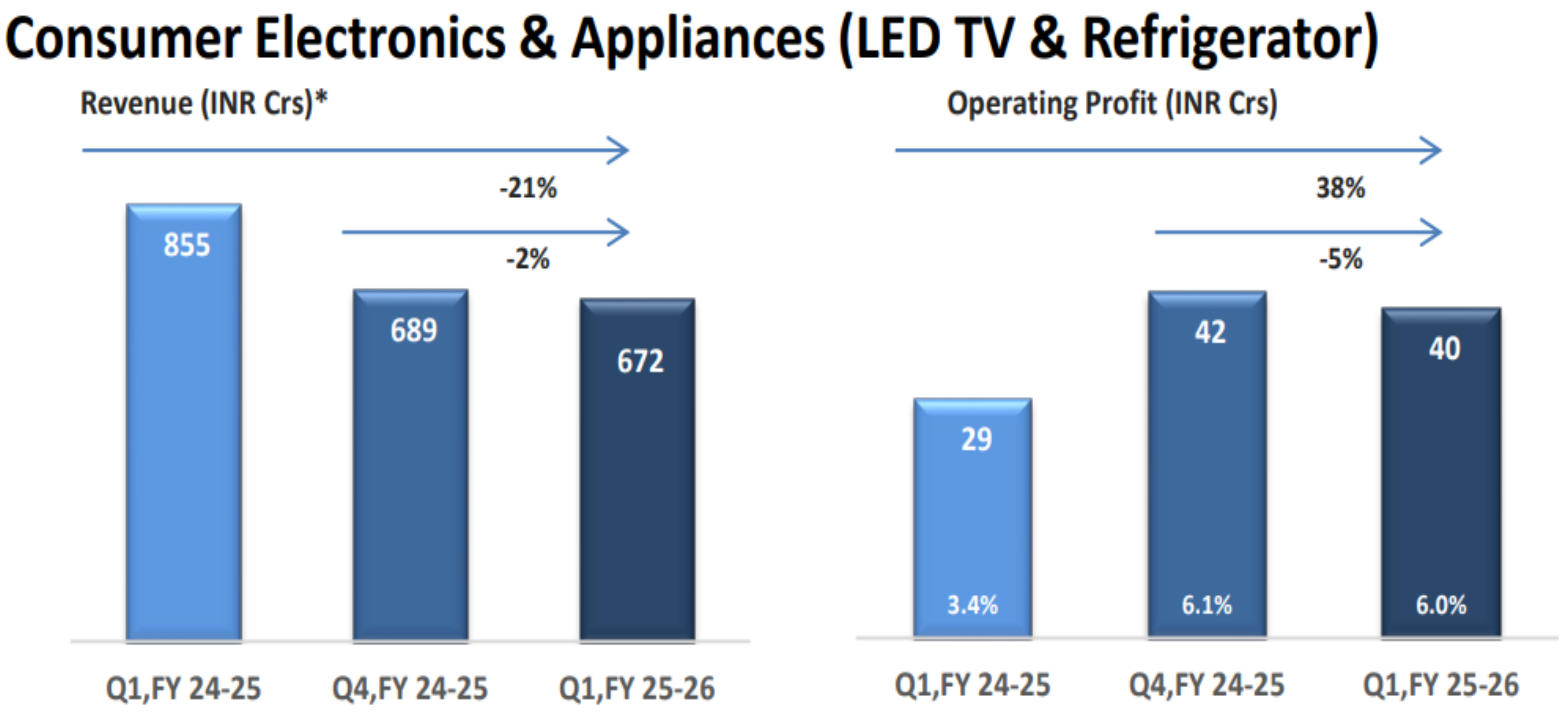
India television market is forecast to grow at a CAGR of 8.36% between FY2026–FY2033, expanding from USD 11.5 billion in FY2025 to USD 21.8 billion in FY2033F. Growth is being driven by rising disposable incomes, the expansion of OTT platforms, increasing affordability of smart TVs, aggressive e-commerce discounting, and rapid advances in display technology. Consumers are increasingly shifting from basic televisions to premium smart models, including QLED and OLED TVs, supported by higher internet penetration and demand for streaming-enabled devices.

Dixon's LED TV business delivered revenues of INR 2,896 crore in FY 2024–25, even as the global LED TV market faced muted demand due to structural challenges and evolving consumer preferences. The company has focused on strengthening ODM capabilities and expanding its brand portfolio, successfully onboarding several multinational partners. Strategic technology collaborations with Amazon (Fire TV) and LG (WebOS) are underway, with commercial rollouts planned for early FY 2025–26.

In the refrigerator business, quarterly revenue was reported at INR 328 crore. Within just a year of operations, Dixon has captured ~10% market share in the direct-cool refrigerator category. To meet rising demand, capacity at the Greater Noida plant is being expanded from 1.2 million units to 2 million units.

The company is also diversifying its cooling products portfolio beyond direct-cool refrigerators into frost-free refrigerators, side-by-side models, mini bars, deep freezers, and visi coolers.

Management remains optimistic for FY25–26, expecting 50% growth in this fiscal year. Capacity expansion and new product introductions are positioned to significantly scale up the segment's contribution in the next few years.



LED TV revenues came in at INR 672 crores, with an operating profit of INR 40 crores and a margin of 6%. Within this, the refrigerator business contributed INR 328 crores. Management highlighted strong demand visibility in Q2 FY25, supported by the festive season and a robust order book. Notably, ODM solutions are expected to account for ~70% of LED TV sales, reflecting a shift toward higher-margin segments.

Dixon has broadened its display manufacturing portfolio to serve industrial, institutional, and automotive applications. In the cooling division, the company has captured ~10% market share in the direct-cool refrigerator category within a year of launch. Responding to strong brand demand, capacity at its Greater Noida facility is being expanded from 1.2 million to 2 million units. Product diversification is also under way into frost-free refrigerators, side-by-side models, mini bars, deep freezers, and visi coolers.

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Research Report

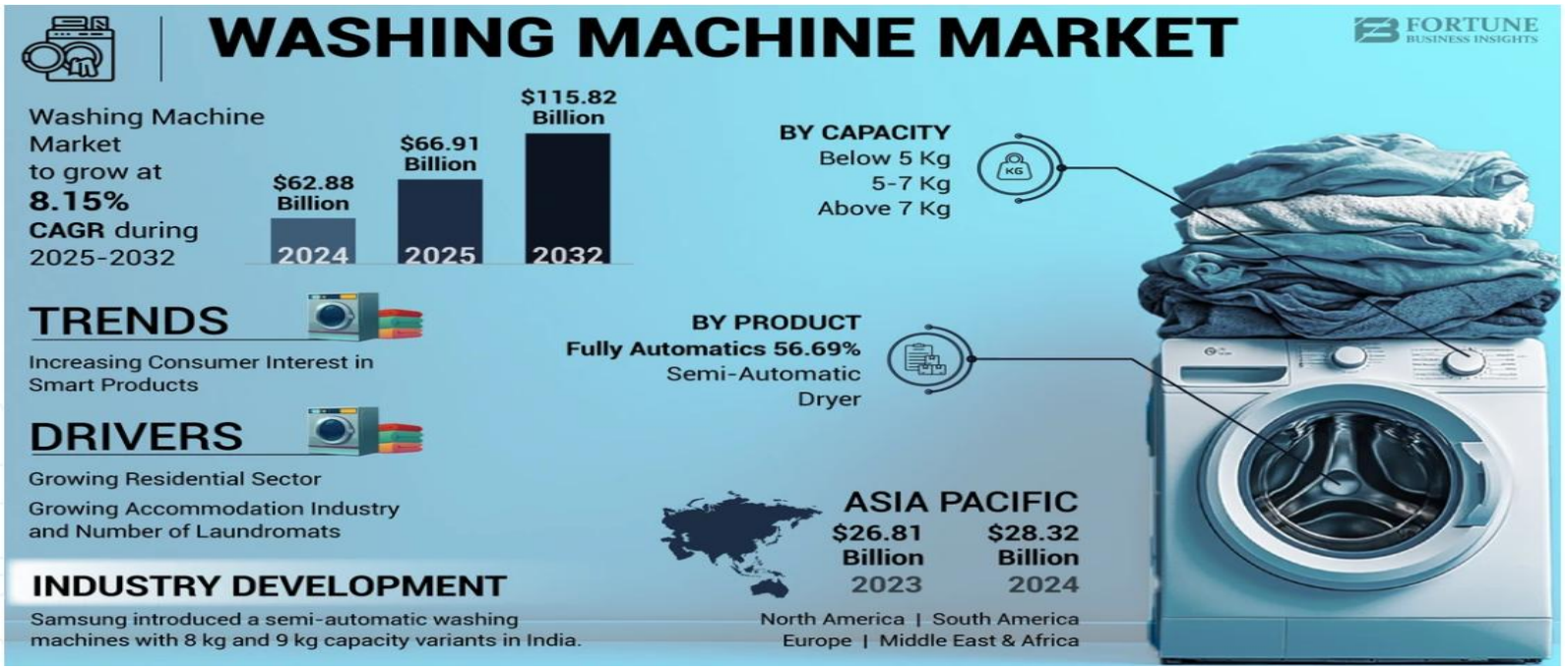
Segment Overview

Home Appliances

Indian washing machines industry has been witnessing sustained and stable growth. Dual income families, growing disposable incomes, and paucity of time have been instrumental in driving the demand for washing machines. Penetration of washing machines in India is currently 13 - 14% implying high scope for growth. The volume market size for domestic sales of washing machines is 9.6 million units for FY24 and it is expected to grow at a CAGR of 7.4% till FY29. In terms of value, the washing machine market is estimated at INR 139.1 billion in FY24 and is projected to grow at a CAGR of 8.0% from FY24 to FY29 to reach INR 204.2 billion. Domestic manufacturing of washing machines in India stood at 8.9 million units in FY24. washing machine business continues consistent growing performance with an annual revenue of INR 1,366 crs for FY 24-25 & continues to scale across both Fully Automatic and Semi-Automatic categories.

The company's washing machine business generated INR 1,366 crore in revenues for FY 2024–25, maintaining consistent growth across both Fully Automatic and Semi-Automatic categories.Innovation & New Products: Dixon is advancing its product innovation roadmap:

Established an in-house tool room for mould development, strengthening backward integration.Development underway for Front Load Washing Machines, with a senior Korean expat appointed to lead the initiative.Expansion into adjacent appliances has begun, with a partnership with Eureka Forbes for manufacturing robotic vacuum cleaners, broadening the product portfolio.

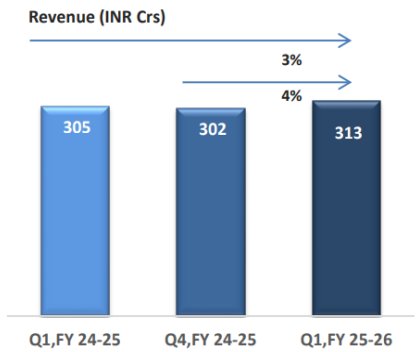


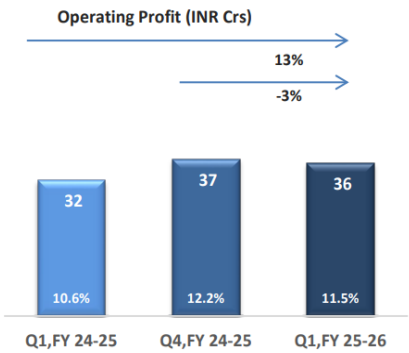
For the latest quarter, revenue from the washing machine segment stood at INR 313 crore, with operating profit of INR 36 crore, reflecting 13% YoY growth and an operating margin of 11.5%.

Semi-Automatic Washing Machines (SAWM): A new Dehradun facility with an annual capacity of 2.5 million units has commenced operations. Dixon has also introduced industry-first SAWM models in 16 kg and 18 kg categories, with commercial launch targeted by Q3 FY25.

Fully Automatic Top Load (FATL): Capacity at the Tirupati facility is being expanded to meet a growing order pipeline, with construction expected to be completed by August 2025.

Home Appliances





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Research Report

Segment Overview

Lighting Products & Telecoms

India's lamps and lighting sector is undergoing a significant transformation as consumers increasingly opt for energy-efficient solutions. In 2024, the total lighting market in India reached USD 4.6 billion in 2024, and is expected to grow to USD 7.2 billion by 2033, at a compound annual growth rate (CAGR) of 5.1% during 2025 -2033. 50:50 JV with Signify formerly Philips is expected to commence operations from Q2 FY 25–26. The JV is expected to generate operating leverage, driving greater efficiencies, cost optimization & long term value creation through synergies, expanding into new categories including high end indoor lighting products, professional lighting along with unlocking export opportunities.

50:50 JV with Signify formerly Philips is expected to commence operations from Q2 FY 25–26. The JV is expected to generate operating leverage, driving greater efficiencies, cost optimization & long term value creation through synergies, expanding into new categories including high end indoor lighting products, professional lighting along with unlocking export opportunities.

Revenue for the latest quarter from the lighting business stood at INR 188 crore.

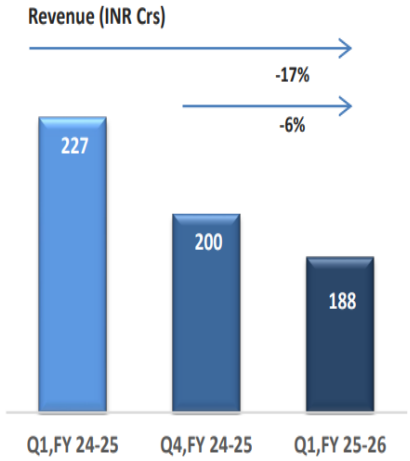
Dixon's 50:50 joint venture with Signify (formerly Philips) is scheduled to begin operations from Q2 FY25–26 (August 2025). The JV is expected to unlock operating leverage through synergies, cost optimization, and expansion into premium indoor and professional lighting categories.

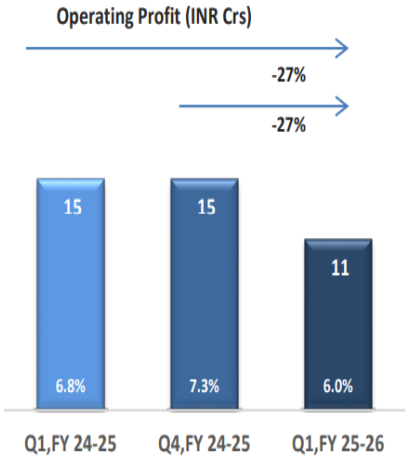
Dixon has introduced the Flood & Street Light series under its professional product category, strengthening its presence in outdoor lighting.

The company has also operationalized a backward integration facility for extrusions used in battens, which is expected to improve cost efficiency and margins.

The JV is also seen as a gateway to export opportunities, with Dixon securing a pilot order from a leading U.S. retail chain in the current quarter. Management aims to scale this into a sizeable export business over the coming quarters.

Lighting Products





The rising adoption of high-speed internet, growing home broadband penetration, and proliferation of smart devices and IoT applications are fueling strong demand in the telecom equipment industry. This provides a significant long-term opportunity for domestic manufacturers.

The segment has become a key growth pillar, delivering revenues of INR 1,410 crore, representing >250% YoY growth. Growth was driven primarily by robust demand from anchor customers, particularly in 5G Fixed Wireless Access (FWA) solutions and IPTV devices.

The company is actively expanding into non-CPE (Customer Premise Equipment) and low-volume, high-mix categories, including Radio Access Networks, Ethernet Switches, and Network Transport Equipment, which are expected to enhance long-term growth potential.

A new Noida facility has been commissioned, substantially expanding production capacity. Output for 5G FWA solutions (indoor & outdoor) has doubled, while mass production of IPTV devices is underway. As part of its localization strategy, Dixon has begun in-house production of mechanicals and adapters, with additional efforts to localize other critical components, strengthening supply chain resilience, improving cost structure, and supporting margin expansion. A JV discussion for a critical telecom component is in advanced stages.

A 60:40 JV with Inventec (one of the world's top five PC ODMs) will focus on notebooks, servers, and desktops, and is expected to be operational by Q1 of next fiscal.

A 74:26 JV with Chongqing Yuhai for precision components (mechanicals and metal parts) has been signed, initially targeting notebooks and later extending to smartphones and other categories. The JV will also seek benefits under the ECMS scheme.

The company is also pursuing partnerships for SSD, memory modules, and power supply, aimed at leveraging the IT hardware PLI scheme.

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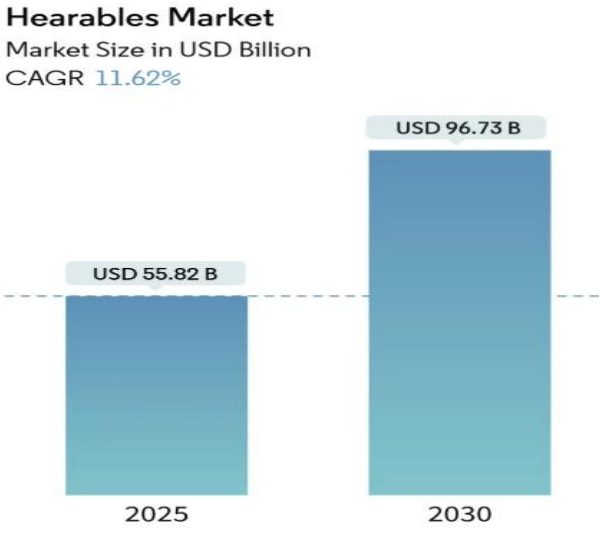
Segment Overview

Wearables & hearables, Computing Devices

The wireless audio devices market in India is expected to reach a projected revenue of US$ 63,394.4 million by 2033. A compound annual growth rate of 30.9% is expected of India wireless audio devices market from 2025 to 2033.
The India wireless audio devices market generated a revenue of USD 5,851.5 million in 2024 and is expected to reach USD 63,394.4 million by 2033.
The India market is expected to grow at a CAGR of 30.9% from 2025 to 2033.
In terms of segment, true wireless hearables/earbuds was the largest revenue generating product in 2024.
True Wireless Hearables/Earbuds is the most lucrative product segment registering the fastest growth during the forecast period.



The laptop market in India is projected to grow at a CAGR of 6.7% between 2024–2032, reaching an estimated market size of USD 10.5 billion by 2032. The company is making strong progress in the fast-growing IT hardware segment with its dedicated manufacturing facility in Chennai, which has commenced mass production with an annual capacity of 2 million units, currently catering to HP and Asus, and supported by a strong order pipeline from Lenovo and Asus. To further strengthen capabilities and move up the value chain, the company has entered into a 60:40 joint venture with Inventec, one of the world's top five PC ODMs. The JV will manufacture a comprehensive range of IT hardware products including Notebook PCs, Servers, Desktop PCs, along with critical components such as SSDs, memory modules, and power supplies. A new manufacturing facility in Chennai has been finalized under the JV, significantly enhancing scale, strengthening backward integration, and positioning the company as a leading player in India's IT hardware ecosystem.

Dixon Technologies (India) Limited exhibits a highly concentrated revenue model, overwhelmingly dominated by its Mobile Phones and EMS (Electronics Manufacturing Services) segment, which accounts for a massive 85% (₹33,043 crores) of its total revenue. The remaining revenue is diversified across three smaller segments: Consumer Electronics (9%, ₹3,330 crores from LED TVs and refrigerators), Home Appliances (4%, ₹1,386 crores from washing machines), and what is likely a typo for Lighting Products (2%, ₹871 crores from items like LED bulbs and downlighters). This structure highlights both a significant dependency risk on the mobile manufacturing sector and a strategic, though smaller-scale, diversification into the stable consumer durables and growing lighting markets, positioning the company as a key player in India's domestic manufacturing landscape.

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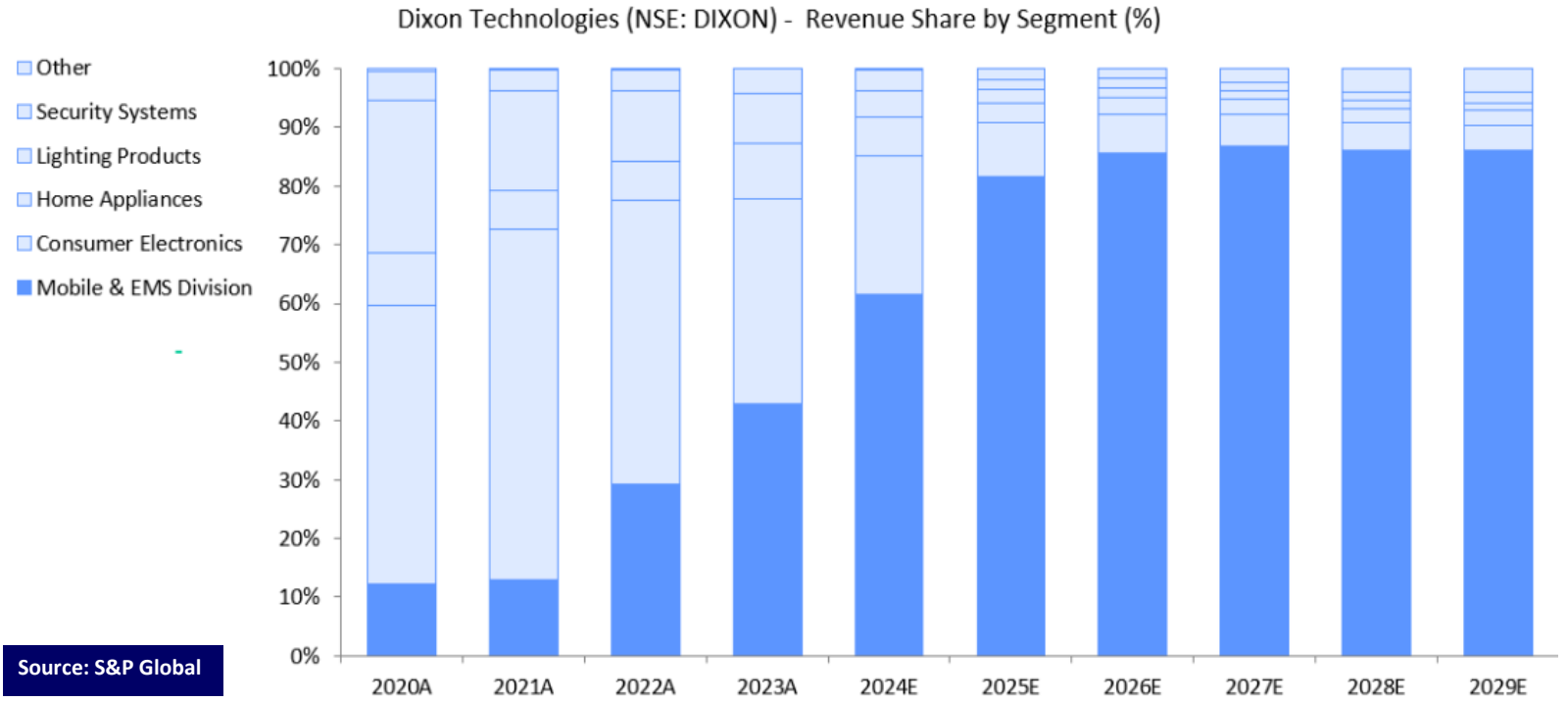
Research Report

Segment-Wise Revenue Distribution

Categories	Product/Services	Revenue(INR crs)	% of Total Revenue
Mobile Phones and EMS	Feature & smart phones, IT hardware, Telecom, hearables & wearables	33043	85.02%
Consumer Electronics	LED TVs, Refrigerator	3590	9.24%
Home Appliances	Washing machine	1366	3.51%
Lighting Products	LED bulbs, battens, downlighters, etc	861	2.22%
Total Revenue		38860	100.00%



Source: S&P Global

Dixon Technologies (India) Limited has established itself as a preeminent Electronic Manufacturing Services (EMS) provider within the dynamic landscape of the Indian manufacturing ecosystem. The company's business model is characterized by its diversified product portfolio, which spans consumer electronics, home appliances, lighting, and mobile phones. The "Mobile Phones and EMS" category accounts for the overwhelming majority of the company's revenue, a fact that is central to understanding its operational focus and financial profile. The consolidated total revenue amounts to 38,860 crore INR. The Mobile Phones and EMS segment is the unequivocal core of Dixon's business, contributing 85.02% of the company's total revenue. While the Mobile Phones and EMS segment dominates, the other business lines collectively account for approximately 15% of the total revenue. These include Consumer Electronics, Home Appliances, and Lighting Products, with revenue contributions of 9.24%, 3.51%, and 2.22% respectively. These smaller segments represent the company's strategic engines for future diversification. The Consumer Electronics and Home Appliances categories, which include products like LED TVs and washing machines, are aligned with the burgeoning domestic consumer market in India. Dixon Technologies' position within the Indian electronics manufacturing sector is demonstrably strong. The company's scale, particularly in the mobile phone and EMS segment, places it as a clear leader and a critical partner for major brands seeking to manufacture in India. The company is well-positioned to capitalize on the overall growth trajectory of the Indian electronics market, which is being driven by rising demand, government incentives, and a global trend toward diversifying manufacturing bases away from traditional centers.

Dixon Technologies (India) Limited is strategically positioned as a bellwether for India's burgeoning Electronics Manufacturing Services (EMS) ecosystem, successfully pivoting its business model to capitalize on national incentives and market demand. The company's financial performance in FY2024-25 was characterized by phenomenal growth, driven primarily by the Mobile Phones and EMS segment, which delivered a spectacular 195% year-over-year growth in revenue and a 225% increase in operating profit. This hyper-growth has been a direct result of the company's successful leveraging of the Production Linked Incentive (PLI) Scheme. This robust operational momentum is anticipated to translate into significant financial expansion, with a strong internal projection for EBITDAR reaching 15,278 million in FY2024-25, a near-doubling from 7,202 million in FY2023-24.

Looking ahead, Dixon is aggressively diversifying its product mix beyond its core mobile concentration (currently 85% of total revenue) by strategically entering high-potential segments, including the commencement of production for 5G FWA devices and the establishment of high-capacity lines for products like refrigerators (1.8 million units annual capacity). This forward-looking strategy, supported by a proven track record of scaling operations and capturing market share, solidifies its dominance in the 'Make in India' narrative. Dixon Technologies as a compelling long-term investment, well-insulated by favorable policy and poised to become a global EMS powerhouse stemming from the Indian manufacturing sector.

Financials & Valuation

Dixon

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Research Report

Financial Snapshot

Revenue from Operations (INR in million)

FY2019-20	44,001
FY2020-21	64,482
FY2021-22	1,06,971
FY2022-23	1,21,920
FY2023-24	1,76,909
FY2024-25	**3,88,601**

EBITDA Margin (INR in %)

FY2019-20	5.2
FY2020-21	4.5
FY2021-22	3.6
FY2022-23	4.3
FY2023-24	4.1
FY2024-25	**3.9**

Profit after Tax (INR in million)

FY2019-20	1,205
FY2020-21	1,597
FY2021-22	1,903
FY2022-23	2,551
FY2023-24	3,749
FY2024-25	**12,326**

EPS Standalone (INR/ Share) (Basic)

FY2019-20	19.38
FY2020-21	26.14
FY2021-22	25.63
FY2022-23	35.53
FY2023-24	31.12
FY2024-25	**94.44**

PAT Margin (in %)

FY2019-20	2.7
FY2020-21	2.5
FY2021-22	1.8
FY2022-23	2.1
FY2023-24	2.1
FY2024-25	**3.2**

Dividend Pay-out (%)

FY2019-20	4.1
FY2020-21	3.8
FY2021-22	6.2
FY2022-23	7
FY2023-24	8
FY2024-25	**4**

EBITDA (INR in million)

FY2019-20	2,283
FY2020-21	2,882
FY2021-22	3,830
FY2022-23	5,184
FY2023-24	7,202
FY2024-25	**15,278**

Dividend per Share (INR)

FY2020-21	1
FY2021-22	2
FY2022-23	3
FY2023-24	5
FY2024-25	**8**

Return on Capital Employed (%)

FY2019-20	37.0
FY2020-21	37.8
FY2021-22	31.1
FY2022-23	33.4
FY2023-24	38.0
FY2024-25	**48.5**

Return on Equity (%)

FY2019-20	26.2
FY2020-21	25.0
FY2021-22	21.9
FY2022-23	22.4
FY2023-24	25.2
FY2024-25	**47.5**

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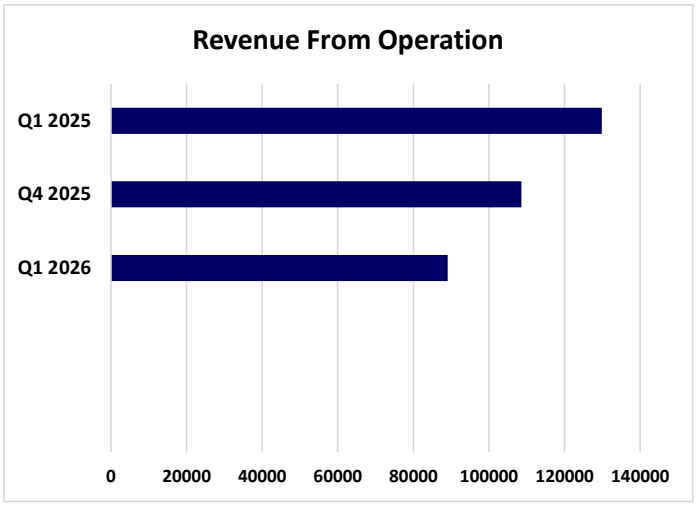
Research Report

Quarterly Update (Standalone)

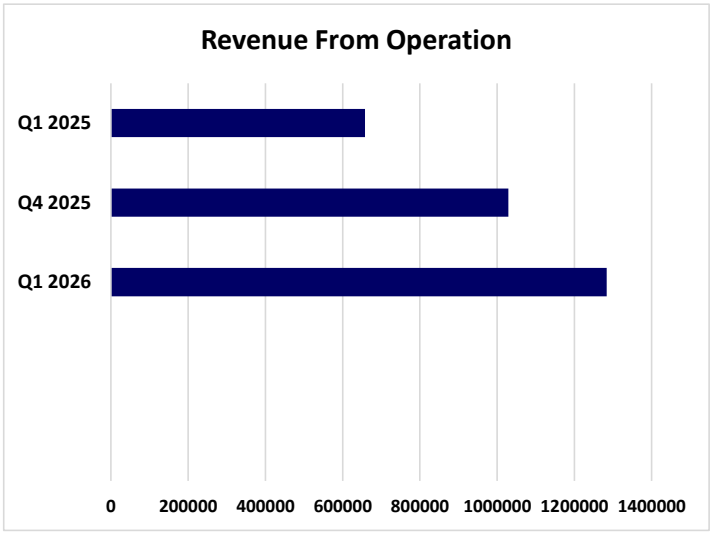
(in lakhs)

Particulars	Q1 2026	Q4 2025	Q1 2025	QoQ(%)	YoY(%)
Revenue From Operation	89,086	1,08,567	1,29,861	-17.94%	-31.40%
COGS	72,162	90,674	1,10,864	-20.42%	-34.91%
Gross Profit	16,924	17,893	18,997	-5.42%	-10.91%
SG&A	12,000	10,765	13,600	11.47%	-11.76%
Cash Operating Profit	4,924	7,128	5,397	-30.92%	-8.76%
Depreciation & Amortization	1,885	1,997	1,668	-5.61%	13.01%
EBIT	3,039	5,131	3,729	-40.77%	-18.50%
EBIT Margin (%)	3.41%	4.73%	2.87%	-27.82%	18.80%
Other Income	652	4,114	1,246	-84.15%	-47.67%
Interest Expense	1,484	1,515	1,124	-2.05%	32.03%
EBT	2,207	7,730	3,851	-71.45%	-42.69%
TAX	614	4,912	1,048	-87.50%	-41.41%
PAT	1,593	2,818	2,803	-43.47%	-43.17%
PAT Margins (%)	1.79%	2.60%	2.16%	-31.11%	-17.16%



Quarterly Update (Consolidated)

Particulars	Q1 2026	Q4 2025	Q1 2025	QoQ(%)	YoY(%)
Revenue From Operation	12,83,566	10,29,254	6,57,980	24.71%	95.08%
COGS	11,87,500	9,47,530	6,01,691	25.33%	97.36%
Gross Profit	96,066	81,724	56,289	17.55%	70.67%
SG&A	47,829	37,445	31,499	27.73%	51.84%
Cash Operating Profit	48,237	44,279	24,790	8.94%	94.58%
Depreciation & Amortization	9,270	8,591	5,451	7.90%	70.06%
EBIT	38,967	35,688	19,339	9.19%	101.49%
EBIT Margin (%)	3.04%	3.47%	2.94%	-12.45%	3.29%
Other Income	168	1,128	818	-85.11%	-79.46%
Interest Expense	3,259	4,626	2,929	-29.55%	11.27%
EBT	35,876	32,190	17,228	11.45%	108.24%
Profit of Joint Venture	676	376	744	79.79%	-9.14%
TAX	8,550	11,108	4,002	-23.03%	113.64%
PAT	28,002	21,458	13,970	30.50%	100.44%
PAT Margins (%)	2.18%	2.08%	2.12%	4.64%	2.75%



Dixon Technologies' standalone Q1 FY2026 showed a clear pullback in top-line but signs of underlying cost discipline — Revenue from operations fell to ₹89,086 (-31.40% YoY, -17.94% QoQ), yet the company managed to protect gross margins as gross profit was ₹16,924 (-10.91% YoY) and gross margin improved to ≈19.0% (up ~436 bps YoY) thanks to a sharper cut in COGS versus the revenue decline. Operating profitability weakened: cash operating profit was ₹4,924 (margin ≈5.5%) and EBIT slipped to ₹3,039 (EBIT margin 3.41%), down -18.5% YoY and -40.8% QoQ, reflecting lower scale and higher operating absorption. Non-operating items were the biggest drag — other income collapsed to ₹652 (-47.7% YoY, -84.2% QoQ) while interest cost rose to ₹1,484 (+32% YoY) and depreciation increased, pushing EBT down to ₹2,207 (-42.7% YoY). The bottom line came in at PAT ₹1,593 (-43.2% YoY) with PAT margin ~1.8%, showing how a fall in ancillary income and higher finance/dep charges amplified the revenue shock.

Dixon Technologies delivered a powerful quarter, driven by sharp volume and scale — revenue from operations surged 95.08% YoY (and 24.71% QoQ) to ₹12,83,566 (as reported). Gross profit rose 70.67% YoY to ₹96,066, reflecting strong demand and scale benefits, although gross margin moderated (≈7.5%) as COGS grew faster. Operating performance showed clear leverage: cash operating profit nearly doubled (+94.6% YoY) to ₹48,237 (operating margin ≈ 3.76%, broadly stable YoY) and EBIT jumped 101.5% YoY to ₹38,967 despite higher depreciation & amortization (₹9,270) and some financing costs — reported EBIT margin was 3.04%. Non-operating items were mixed: other income fell sharply QoQ to ₹168, while interest expense eased QoQ to ₹3,259. As a result, EBT rose to ₹35,876 (+108.2% YoY, +11.5% QoQ) and PAT doubled to ₹28,002 (+100.4% YoY, +30.5% QoQ) with PAT margin inching up to 2.18%; reported effective tax was roughly 24%. In short — exceptional top-line growth translated into strong absolute profitability and improved operating leverage, but margin expansion remains modest because of COGS pressure and volatility in other income; continued cost control and stable non-operating income will be key to sustain margin improvement.

Dixon

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Research Report

Financial Statements

(in lakhs)

Income Statement

Particulars	2023	2024	2025
Revenue From Operation	12,19,201	17,69,090	38,86,010
COGS	11,02,074	16,03,895	35,83,282
Gross Profit	1,17,127	1,65,195	3,02,728
SG&A	65,852	95,432	1,51,970
Cash Operating Profit	51,275	69,763	1,50,758
Depreciation & Amortization	11,463	16,188	28,102
EBIT	39,812	53,575	1,22,656
EBIT Margin (%)	3.27%	3.03%	3.16%
Other Income	561	2,256	2,023
Interest Expense	6,057	7,472	15,435
EBT	34,316	48,359	1,09,244
Profit of Joint Venture	162	1,024	1,738
TAX	8,970	11,891	33,722
PAT	25,508	37,492	77,260
PAT Margins (%)	2.09%	2.12%	1.99%

Cash Flow Statement

Particulars	2023	2024	2025
Profit before tax	34,316	48,359	1,55,242
OCF Before WCC	53,135	71,491	1,60,733
Total WC changes	27,639	-881	-18,162
CF from operations	80,774	70,610	1,42,571
Direct taxes paid	-8,199	-12,179	-27,596
Cash from Operating Activities (A)	72,575	58,431	1,14,975
Purchase of PPE/Intangible Assets	-46,120	-58,443	-93,935
Sale of PPE/Investment	1,098	1,586	4,376
Others	9,338	3,655	-34,142
Interest Income	129	112	811
Cash from Investing Activities (B)	-35,555	-53,090	-1,22,890
Interest Paid	-7,373	-4,944	-12,192
Dividend Paid	-1,187	-1,786	-3,291
Others	-24,402	-267	12,826
Cash from Financing Activities (C)	-32,962	-6,997	-2,657
Net inc/(dec)	4,058	-1,656	-10,572
Cash and Cash at beginning	17,646	21,704	20,048
Addition on acquisition			13,609
Cash and Cash at the end	21,704	20,048	23,085

Balance Sheet

Particulars	2023	2024	2025
Property, plant and equipment	94,249	1,63,680	2,10,909
Capital work-in-progress	11,970	6,427	25,612
Intangible Assets	2,244	3,065	3,850
Right of use assets	24,840	29,849	56,915
Goodwill	3,031	3,031	5,702
Financial assets	4,898	6,218	58,666
Deferred tax assets		192	912
Other non-current assets	12,784	3,055	4,683
Total Non-Current Assets	1,54,016	2,15,517	3,67,249
Inventories	95,787	1,69,501	3,99,240
Trade receivables	1,71,545	2,31,788	6,96,545
Cash and cash equivalents	21,704	20,048	23,085
Bank balances	1,214	817	3,268
Loans		200	
Other financial assets	8,991	31,867	1,44,541
Other current assets	14,686	29,407	42,759
Total Current Assets	3,13,927	4,83,628	13,09,438
Total Assets	4,67,943	6,99,145	16,76,687
Common Shares	1,191	1,196	1,205
Other Equity	1,27,272	1,71,050	3,45,728
Total Equity	1,28,463	1,72,246	3,46,933
Long Term Debt/Lease	39,806	42,459	49,868
Other NC financial liabilities		4,893	6,008
Deferred tax liabilities (Net)	2,240	2,590	10,715
Provisions	1,726	2,138	1,865
Other non-current liabilities	1,609	1,657	1,754
Total Non-Current Liabilities	45,381	53,737	70,210
Short Term Debt/Lease	5,503	6,439	17,228
Trade Payables	2,45,188	4,05,975	10,88,365
Other Financial Liabilities	29,142	50,313	1,39,792
Other current liabilities	12,142	8,734	13,123
Provisions	858	632	900
Current tax liabilities (Net)	1,266	1,069	136
Total Current Liabilities	2,94,099	4,73,162	12,59,544
Total Equity and Liabilities	4,67,943	6,99,145	16,76,687

Strengthened balance sheet and aggressive scale-up: Dixon Technologies has materially expanded its balance sheet over FY23–FY25 — Total Assets jumped from ₹4,67,943 (FY23) to ₹16,76,687 (FY25), a 3.6x increase (+258%), driven by both capex and a massive working-capital build. Shareholder capital increased strongly — Total Equity rose to ₹3,46,933 in FY25 from ₹1,28,463 in FY23 (+170%, 2.7x) — signalling real value creation in absolute terms, although equity as a share of assets fell from 27.5% to 20.7% as the company scaled.Working capital explosion — financing pattern matters: The expansion was predominantly funded through working capital. Inventories grew to ₹3,99,240 (+317%) and trade receivables to ₹6,96,545 (+306%), while trade payables surged to ₹10,88,365 (+344%) and other current financial liabilities to ₹1,39,792 (+380%). Total current assets rose 4.2x to ₹13,09,438, and total current liabilities rose 4.3x to ₹12,59,544 — showing the business is operating at much larger scale but relying heavily on supplier/short-term funding and other financial lines.

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Research Report

Ratio Analysis

Profitability Ratios

Particulars	FY23	FY24	FY25
Gross Profit Margin	6.61	9.34	7.79
EBITDA Margin	4.21	3.94	3.88
EBIT Margin	3.27	3.03	3.16
NP Margin	2.09	2.12	1.99
ROA	5.69	6.42	6.5
ROE	22.36	25.16	32.84
ROCE	12.14	13.39	38.14

Gross Profit Margin rose from 6.61% (FY23) → 9.34% (FY24) then moderated to 7.79% (FY25) — still +118 bps vs FY23, showing improved gross economics vs the base year.
EBITDA Margin eased modestly from 4.21% → 3.88% (FY25) and EBIT Margin remained broadly stable around ~3.1% (3.27% → 3.16%), indicating some operating absorption as scale changes.
Net Profit Margin dipped slightly to 1.99% (FY25) from 2.09% (FY23) — small compression at the bottom line.
ROA improved from 5.69% → 6.50%, signalling better returns on assets.
Most notably, ROE jumped from 22.36% (FY23) to 32.84% (FY25) and ROCE surged from 12.14% to 38.14%, highlighting a dramatic improvement in capital efficiency and shareholder returns.
Dixon Technologies posts a mixed-but-encouraging profitability profile for FY25 — margins are broadly stable to slightly compressed, but returns on capital have strengthened sharply.

Efficiency Ratios

Particulars	FY23	FY24	FY25
Inventory Turnover	10.42	9.58	12.79
Trade Receivable	7.94	7.64	8.37
Trade Payable	4.67	4.05	4.91
Working Capital	40.54	170.7	77.8
Fixed Assets	11.15	10.81	18.43
Total Assets	2.72	2.53	2.32

Dixon Technologies is demonstrating a powerful and accelerating operational performance, marked by a significant efficiency breakthrough in FY25. After a slight dip in FY24, the company has sharply enhanced its ability to manage inventory and collect receivables, signaling superior operational execution and strong market demand. The Inventory Turnover ratio surged to 12.79 in FY25 from 9.58 in FY24, highlighting a much more efficient conversion of stock into sales and reduced holding costs.
This efficiency is further supported by an improved Trade Receivable turnover of 8.37, indicating faster collection from customers and strengthened working capital management. Most strikingly, the Fixed Asset Turnover ratio leaped to 18.43 from 10.81, reflecting a dramatic increase in revenue generation from its asset base, a testament to successful capacity utilization and scaling operations.

Leverage Ratios

Particulars	FY23	FY24	FY25
Debt to Equity	0.35	0.28	0.19
Debt to Asset	0.1	0.07	0.04
Proprietary Ratio	0.275	0.246	0.207
Interest Coverage Ra	6.69	6.47	7.08

The company has aggressively and consistently reduced its debt burden, with the Debt to Equity ratio plunging to a mere 0.19 in FY25 from 0.35 in FY23, showcasing a strategic shift towards equity financing and internal accruals. This deleveraging is further highlighted by the Debt to Asset ratio falling sharply to 0.04, indicating that an overwhelming majority of its assets are now financed free of debt.
This pristine balance sheet is underpinned by a robust and improving ability to service existing obligations, as evidenced by the Interest Coverage Ratio rising to 7.08 in FY25.

Liquidity Ratios

Particulars	FY23	FY24	FY25
Current Ratio	1.07	1.02	1.04
Quick Ratio	0.74	0.66	0.72
Cash Ratio	0.078	0.042	0.018

The company maintains a stable short-term financial footing, with the Current Ratio holding steady at approximately 1.04 in FY25, indicating that its current assets sufficiently cover its immediate liabilities. A more stringent measure of liquidity, the Quick Ratio, improved to 0.72 in FY25 from 0.66 in FY24, suggesting a better position to meet short-term obligations without relying on inventory sales, though there is room for further improvement.Dixon Technologies is navigating a period of aggressive growth, which is reflected in a tightly managed but adequate liquidity position.

Cash Ratios

Particulars	FY23	FY24	FY25
CFO/EBITDA	1.42	0.84	0.76
CFO/Total Assets	0.155	0.084	0.069
CFO/Revenue	0.059	0.033	0.029
CFO/PAT	2.85	1.55	1.49

The ratio of CFO to EBITDA declined to 0.76 in FY25 from 1.42 in FY23, indicating that a smaller portion of its operational earnings is being converted into cash in the near term, likely due to building up inventory and receivables to support increased sales.
This pattern is consistent across key metrics, with CFO/Total Assets decreasing to 0.069 and CFO/Revenue falling to 0.029, underscoring the intensive cash needs relative to its growing asset base and top line. Notably, the CFO/PAT ratio has stabilized at 1.49 in FY25, down from 2.85 in FY23 but showing consistency over the last two years.

Valuation Ratios

Particulars	FY23	FY24	FY25
Enterprise Value	16,993.99	44,715.23	79,804.67
EV/EBITDA	32.78	62.09	52.23
P/E	71.4	126.3	124.2
Price/Sales	1.4	2.53	2.04
Price/BV	13.26	26.4	26.38

The company's Enterprise Value has skyrocketed to ₹79,804.67 Cr in FY25, more than quadrupling from FY23, reflecting massive investor appetite and anticipation of future dominance. While valuation multiples expanded dramatically from FY23 to FY24, FY25 shows signs of a healthy consolidation at elevated levels; the EV/EBITDA ratio corrected to 52.23 from a peak of 62.09, and the P/E ratio stabilized at 124.2 The Price-to-Book value holding firm at over 26x, indicating the market values its assets and growth potential far above their accounting value. Similarly, the Price/Sales ratio remains robust at 2.04, signaling strong investor belief in the scalability and profitability of its revenue streams.

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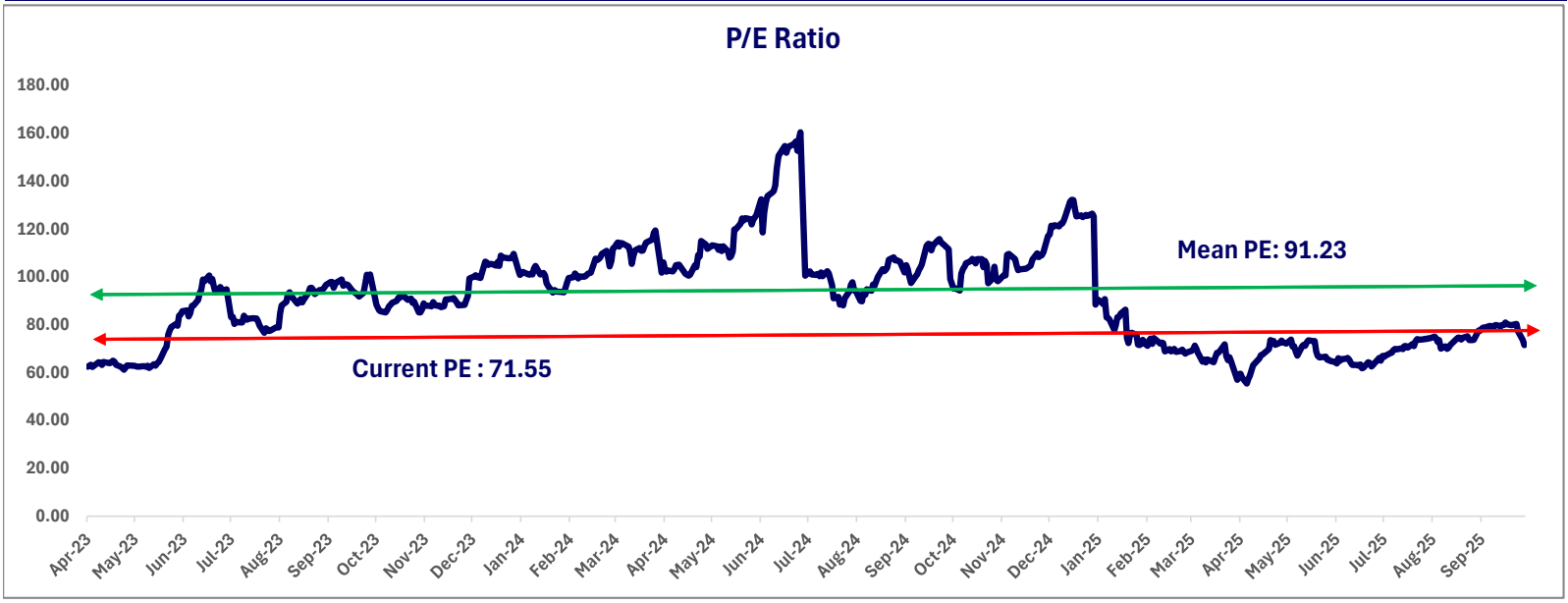
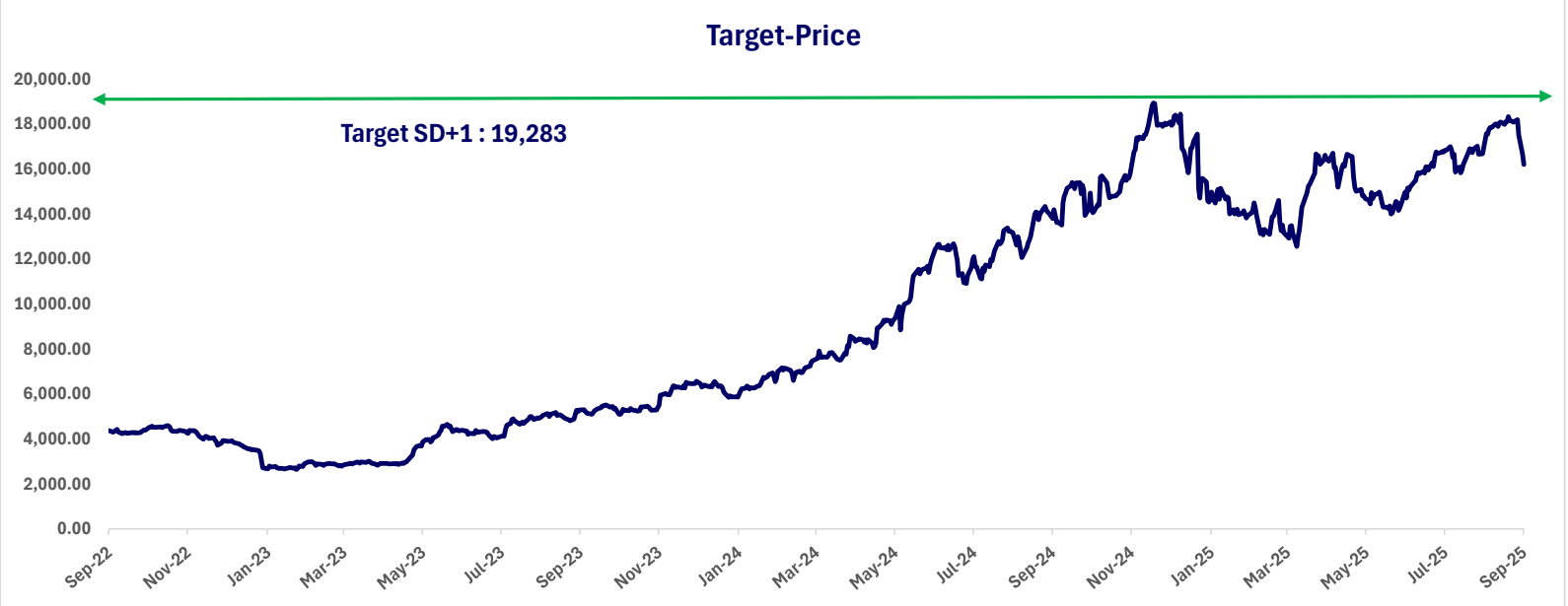
Research Report

Valuation



Dixon Technologies' current Price-to-Earnings (PE) ratio of 71.55 trades below its historical mean of 91.23, suggesting a potential undervaluation against its robust growth trajectory and market leadership. This discount may not fully capture the company's dominant positioning as India's fastest-growing EMS player, its explosive financial performance, and its strategic leverage of government PLI schemes.

This valuation level presents a compelling opportunity, reflecting a market yet to fully price in Dixon's proven execution capabilities, its extensive global client partnerships, and its expansion into high-growth segments like telecom, IT hardware, and strategic backward integration. The company's strengths and market tailwinds position it strongly for a potential valuation re-rating.



Target:- SD+1: ₹19,283 SD+2: ₹21,036

We believe Dixon Technologies presents a powerful investment case at current levels, driven by its undisputed market leadership, explosive financial growth, and strategic capture of India's electronics manufacturing boom. The company's robust execution, multi-sector PLI participation, and aggressive backward integration justify a significant valuation premium. Our target price of ₹19,283 is based on forward earnings and aligns with one standard deviation above its historical valuation mean, reflecting its superior growth profile and industry-leading return ratios (ROCE: 49.1%, ROE: 33.9%).

Recommendation:

Given the company's dominant competitive moat, fortified by long-term global client partnerships and a multi-pronged expansion strategy into high-growth segments like telecom, IT hardware, and components, we recommend a BUY rating on Dixon Technologies. Investors seeking strategic exposure to India's manufacturing and export renaissance will find Dixon Technologies a core portfolio holding.

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- **BUY –We expect the stock to deliver more than 10%-20% returns over the next 9 months.**
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